**SERVICES AGREEMENT**

**THIS AGREEMENT** (the “**Agreement**”), entered into and effective this March 18, 2014, (the "**Effective Date**") is by and between **SONY PICTURES STUDIOS INC.** (“**Company**”), with offices at 10202 West Washington Blvd., Culver City, California 90232, and **ENTER ENVIRONMENTS, INC.**, with an address at 10635 Santa Monica Boulevard, Suite 175, Los Angeles, CA 90025 (“**Contractor**”).

**W I T N E S S E T H:**

**Background.** Company wishes to engage Contractor to perform certain services as more particularly described in Exhibit A, attached to and made a part of this Agreement, as well as such other additional and/or modified Services on projects that may, from time to time be assigned by Company to and accepted by Contractor pursuant to the procedures provided herein (the "**Services**"). Contractor desires to accept association with Company in such capacity and represents that it possesses the skills and expertise required to perform the Services.

**NOW, THEREFORE**, in consideration of the mutual covenants and premises hereinabove and hereinafter set forth, the parties hereby agree as follows:

**1. SERVICES**

**1.1. Services**. Company hereby engages Contractor to perform the Services as described in the work order or work orders in the form attached hereto as Exhibit A (each, a “**Work Order**”) or as from time to time may be assigned pursuant to Paragraph 1.2. Contractor agrees to perform the Services in accordance with the highest professional standards applicable to the performance of like services. Without in any manner prejudicing the right of Company to claim that any other breach or default of this Agreement on the part of Contractor constitutes a material breach or default, it is understood and agreed that, except as provided under Paragraph 9.4 below, the failure of Contractor to perform the Services in the times specified shall constitute a material breach and default of this Agreement on the part of Contractor.

**1.2. Additional Services**. Company may, from time to time, request that Contractor perform additional Services (“**Additional Services**”). If Contractor accepts such assignments, the parties shall agree to the parameters of the Additional Services to be undertaken by executing an “**Additional Work Authorization**” in the form of Exhibit B, attached to and made a part of this Agreement. The Additional Services shall be considered “Services” under this Agreement, and shall be performed in accordance with and subject to the terms and conditions of this Agreement and the Additional Work Authorization (which, for the avoidance of doubt, shall also be deemed a Work Order) specifying the Services to be performed.

**1.3. Reports.** Company may periodically request reasonable written reports concerning Contractor's progress, project status, billing data, and other matters pertaining to the Services, and Contractor shall promptly provide such reports to Company at no additional charge.

**1.4. Personnel**. Contractor represents that all individuals performing the Services (the “**Personnel**”) are qualified to perform the Services and have been assigned by Contractor to work with Company pursuant to this Agreement. Company has the right to request removal of any Personnel, which request shall be promptly honored by Contractor in accordance with Contractor’s personnel practices, provided that such request by Company shall be in writing and shall not violate any applicable employment laws. Contractor shall inform all Personnel that they will be required to comply, and Contractor shall ensure that all Personnel comply, with Company’s security and safety policies, rules and procedures. Contractor shall ensure that all Personnel are familiar with and comply in all respects with the provisions of Section 3.2 (Confidentiality), Section 4 (Data Privacy and Information Security) and Section 5 (Ownership of Services and Other Materials) hereof, and Contractor represents and warrants to Company that it has and will maintain in effect a written agreement with the Personnel to such effect. If Contractor at any time during the term of this Agreement does not have in effect such written agreement with the Personnel, Contractor shall immediately notify Company and shall cause the Personnel to enter into a written agreement with Company with respect to confidentiality, data privacy, and ownership of services in form and substance satisfactory to Company. Contractor shall, subject to and in accordance with applicable Federal, state and local law, conduct reference and background checks on all Personnel prior to performing Services. Contractor shall not permit any Personnel to perform Services unless such Personnel have consented to and satisfied the required reference and background checks. Contractor shall be responsible for all costs associated with the foregoing reference and background checks. The reference and background checks shall include the following:

1. verification of references and employment history;
2. verification of driver’s license (or other government issued identification if an individual has not been issued a driver’s license), address and address history;
3. verification of social security number and that each individual is a U.S. citizen or properly documented person legally able to perform the Services;
4. verification of criminal history and that each individual has satisfactorily passed a criminal background check;
5. verification that the individual is not on the Specially Designated Nationals (“SDN”) list maintained by the Office of Foreign Assets Control of the U.S. Treasury Department; and
6. verification of any other information reasonably requested by Company.

Contractor may use its employees or subcontractors to perform the Services, provided that if Contractor uses subcontractors (a) Contractor shall remain solely responsible for the proper performance of the Services and this Agreement and (b) Contractor shall be solely responsible for engaging and paying such subcontractors. Contractor hereby agrees to pay its subcontractors, laborers and suppliers in full on a timely basis.

**1.5. Federal Acquisition Regulations**. If retention of Contractor by Company is related to a contract issued or to be issued by the United States Government that requires incorporation of portions of the Federal Acquisition Regulations (“**FAR**”), DOD FAR Supplements (“**DFARS**”), or other federal agency clauses, Contractor shall likewise be subject to those clauses and they shall be incorporated by reference into this Agreement.

**1.6. No Obligation to Use Services.** Company does not commit to any volume, minimum fee or any other commitment. Nothing herein requires Company to utilize Contractor for any services, nor does it preclude Company from obtaining competitive services from any other person or entity.

**1.7 Affiilate Work Orders.** Contractor agrees that affiliates of Company may execute Work Orders in accordance with the provisions of this Agreement. In such event, the applicable affiliate of Company executing any Work Order shall, for purposes of such Work Order, be considered the “Company” as that term is used in this Agreement and this Agreement, insofar as it relates to any such Work Order, shall be deemed to be a two-party agreement between Contractor on the one hand and the affiliate of Company on the other hand.

**2. COMPENSATION / EXPENSES**

**2.1. Fees**. As full and complete consideration for the Services to be performed by Contractor, Company agrees to pay Contractor total fees (hereinafter called the "**Fees**") in accordance with this Section 2, inclusive of any and all taxes which are Contractor’s complete responsibility (but exclusive of taxes based on Company’s income). For the Services to be provided under Exhibit A, the Fees shall be as set forth in Exhibit A. For any Additional Services pursuant to Paragraph 1.2 above, the Fees shall be agreed upon prior to the initiation of such Additional Services and set forth in the Additional Work Authorization as provided in Paragraph 1.2 above. Contractor shall only be compensated for Additional Services pursuant to properly executed Additional Work Authorizations as provided in this Agreement. Any work which is not so authorized and documented shall not be entitled to compensation under any legal theory and Contractor hereby waives any compensation for such additional and/or modified work. Payment of the Fees shall be subject to completion of the Services as provided herein.

**2.2. Expenses**. The Fees shall include all sums due and owing of every kind and description including but not limited to telephone calls, mileage, stationery, and special services such as typing, duplicating costs and mailing expenses. Unless these costs are specifically agreed to as a separate reimbursable expense item on Exhibit A or in an Additional Work Authorization, Company will not pay Contractor therefor.

**2.3. Rates**. Contractor represents to Company that the rates set forth above are the same as or no higher than those charged to other clients of Contractor for the performance of like services.

**2.4. Invoices.** Unless otherwise specified in Exhibit A, Contractor shall submit invoices monthly and, subject to the terms of this Agreement, invoices are payable within sixty (60) days of receipt by Company. At the sole discretion and direction of Company, Contractor shall bill any or all charges under this Agreement to Company’s American Express Corporate Purchasing Card (“**CPC**”) (or Visa, Mastercard, or a mutually agreeable corporate purchasing card), which charges shall be subject to and payable in accordance with Contractor’s separately executed CPS agreement. Contractor hereby agrees to enter into such CPC agreement with the applicable card provider. Contractor shall provide Company a detailed invoice for each CPC charge.

**2.5. Books and Records; Audits.**

(i) Contractor shall maintain complete and accurate accounting records, and shall retain such records for a period of three (3) years following the date of the invoice to which they relate.

(ii) Company (and its duly authorized representatives) shall be entitled to (a) audit such books and records as they relate to the Services performed hereunder, upon reasonable notice to Contractor and during normal business hours, and (b) make copies and summaries of such books and records for its use. If Company discovers an overpayment in the amounts paid by Company to Contractor for any period under audit (an “**Audit Overpayment**”), Contractor shall promptly pay such Audit Overpayment to Company. In the event that any such Audit Overpayment shall be in excess of five percent (5%) of the aggregate payments made by Company in respect of the applicable period under audit, Contractor shall also reimburse Company for all reasonable costs and expenses incurred by Company in connection with such audit and the collection of the Audit Overpayment. If any such Audit Overpayment shall be in excess of ten percent (10%) of the aggregate payments made by Company in respect of the applicable period under audit, Company shall have the right to re-audit, at Contractor’s expense, Contractor’s books and records for any and all past years (since the commencement of this Agreement)**.**

(iii) In the event Contractor determines that it has any inquiries, problems or believes there are errors or discrepancies with respect to any amounts due pursuant to this Agreement, Contractor agrees to give Company written notice thereof within ninety (90) days from the date that the work which gave rise to the inquiry, problem and/or discrepancy, etc. was performed. Contractor’s failure to give Company such notice shall constitute a waiver of any and all rights which Contractor may have to any adjustment, charge or reimbursement by reason thereof.

**3. PROPRIETARY RIGHTS / CONFIDENTIALITY/ EXPORT CONSIDERATIONS**

**3.1. No Violation of Proprietary Rights**. Contractor hereby represents and warrants to Company that its activities in connection with the performance of the Services hereunder will not violate any proprietary rights of third parties, including, without limitation, patents, copyrights, or trade secrets, and that such activities will not violate any contractual obligations or confidential relationships which Contractor may have to/with any third party.

**3.2. Confidential Information**.

(i) Definitions.

(a) For purposes of this Agreement, “**Confidential Information”** means all information disclosed, directly or indirectly, through any means of communication (whether electronic, written, graphic, oral, aural or visual) or personal observation, by or on behalf of Company to or for the benefit of Contractor or any of its employees, agents, representatives and or subcontractors (collectively, Contractor’s agents, representatives and subcontractors are “**Third Parties**”), that relates to: (I) Company's products, services, projects, productions and work product, and all creative, business and technical information pertaining thereto (including, without limitation, plots, characters, storylines, treatments, screenplays, scripts, storyboards, plans, outlines, notes, drawings, animation, design materials, ideas, concepts, models, physical and digital production elements, special effects, reports, analyses, budgets, software (including data, designs, flow charts, specifications, implementations and source code), hardware and other related equipment and technology (including prototypes, designs, specifications and implementations); (II) Company's research and development, asset management, production pipelines and technologies, development strategies, techniques, processes and plans, intellectual properties, trade secrets and technical know-how; (III) Company's administrative, financial, purchasing, information systems, telecommunications technology, distribution, marketing, labor and other business operations, policies and practices; and (IV) any other matter that Contractor or any of its employees or Third Parties is advised or has reason to know is the confidential, trade secret or proprietary information of Company (including, without limitation, employee lists, customer lists, vendor lists, developer contacts and talent contacts). Confidential Information also includes (A) the terms of this Agreement; (B) the fact that any Confidential Information has been made available to Contractor or any of its employees or Third Parties has inspected any portion of any Confidential Information; (C) any of the terms, conditions or other facts with respect to the engagement of Contractor by Company, including the status thereof; (D) all information and materials in the Company's possession, or under its control, obtained from or relating to a third party (including, without limitation, any affiliate, client or vendor of Company) that Company treats as proprietary or confidential (including, without limitation, practices and relationships with talent, content providers, licensors, licensees and other third party contractors, information relating to costs, budgets, schedules, contracts, liabilities, warranties, commitments, asset delivery methods and relationship management, and negotiations, communications and consultations with any such party); and (E) all Work Product (as such terms is defined herein).

(b) “Confidential Information” does not include information which: (I) is presently generally known or available to the public; (II) is hereafter disclosed to the public by Company; or (III) is or was developed independently by Contractor without use of or reference to any Confidential Information and without violation of any obligation contained herein, by employees of Contractor who have had no access to such Confidential Information. Contractor specifically agrees that any disclosures of Confidential Information that are not made or authorized by Company and that appear in any medium prior to Company's own disclosure of such Confidential Information will not release Contractor from its obligations hereunder with respect to such Confidential Information. The burden of proof to establish that one of the foregoing exceptions applies will be upon Contractor.

(ii) Contractor agrees that it will (a) not use, or authorize the use of, any of the Confidential Information for any purpose other than solely for the performance of its obligations under this Agreement (the "**Purpose**"); (b) hold all Confidential Information in strictest confidence and protect all Confidential Information with the same degree of care (but no less than a reasonable degree of care) normally used to protect its own confidential information; (c) take all steps as may be reasonably necessary to prevent any Confidential Information or any information derived therefrom from being revealed to any person or entity other than to (I) those of its Personnel and other employees, agents and Third Parties who have a legitimate need to know the Confidential Information to effectuate the Purpose and who are advised of the confidential and proprietary nature of the Confidential Information, and (II) those to whom Company has authorized in writing the disclosure of the Confidential Information; (d) without the prior written consent of, and subject to such restrictions as may be imposed by, Company (including, without limitation, clearly and prominently marking all materials representing or embodying Confidential Information “CONFIDENTIAL AND PROPRIETARY PROPERTY OF SONY PICTURES ENTERTAINMENT INC. -- DO NOT DUPLICATE”), not copy or reproduce in any medium any Confidential Information or remove any of the same from Company’s premises; and (e) not decompile, disassemble or reverse engineer all or any part of the Confidential Information. In this regard, Contractor shall (A) avoid the needless reproduction of Confidential Information in any medium and immediately upon the request of Company shall destroy all copies thereof, (B) segregate Confidential Information from the confidential information of others so as to prevent commingling and (C) secure the Confidential Information and all documents, items of work in process, products and other materials that embody Confidential Information in locked files or areas which only may be accessed by those persons described in clause (i) of this Section. Contractor shall cause all persons and entities it may employ in connection with the Services to enter into written nondisclosure arrangements in substance similar to those included in this Section or as otherwise acceptable to Company prohibiting the further disclosure and use by such person or entity of any Confidential Information. Contractor further agrees that in the event that it receives a request from any third party for any Confidential Information, or is directed to disclose any portion of any Confidential Information by operation of law or in connection with a judicial or governmental proceeding or arbitration, Contractor will immediately notify Company prior to such disclosure and will assist Company in seeking a suitable protective order or assurance of confidential treatment and in taking any other steps deemed reasonably necessary by Company to preserve the confidentiality of any such Confidential Information.

(iii) All rights in and title to all Confidential Information will remain in Company. Neither the execution and delivery of this Agreement, nor the performance of Contractor’s obligations hereunder, nor the furnishing of any Confidential Information, will be construed as granting or conferring to Contractor either expressly, by implication, estoppel or otherwise, any license or immunity under any copyright, patent, mask right, trade secret, trademark, invention, discovery, improvement or other intellectual property right now or hereafter owned or controlled by Company, nor any right to use, exploit or further develop the same on a royalty-free basis, except solely to effectuate the Purpose. All materials representing or embodying Confidential Information that are furnished to Contractor remain the property of Company and, promptly following Company's written request therefor, all such materials, together with all copies thereof made by or for Contractor, will be returned to Company or, at Company's sole discretion, Contractor will certify the destruction of the same.

(iv) Without the prior written consent of Company, neither Contractor nor any person or entity acting on its behalf will use in any manner whatsoever to express or imply, directly or indirectly, any relationship or affiliation or any endorsement of any product or service, (a) Company's name or trademarks; (b) the name or trademarks of any of Company's affiliated companies; or (c) the name or likeness of any of Company's employees or production personnel. Additionally, neither Contractor nor any person or entity acting on its behalf will make, issue or provide any public statement, announcement or disclosure concerning this Agreement or any other agreement between the parties, the existence or subject matter of any discussions or business relationship between the parties, or Company's affairs, without the Company’s prior review and express written approval, such approval being at the Company's sole discretion.

(v) Contractor acknowledges that the unauthorized use or disclosure of Confidential Information would cause Company irreparable harm and that money damages will be inadequate to compensate Company for such harm. Accordingly, Contractor agrees that, in addition to any other available remedies at law or in equity, Company will be entitled to seek, pursuant to Section 14.4 below, equitable relief, including injunctive relief and/or specific performance, the granting of which shall not be subject to or conditioned upon any requirement of posting a bond or other security.

(vi) CONTRACTOR ACKNOWLEDGES AND AGREES THAT COMPANY MAKES NO WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO ANY MATTER RELATING TO THE CONFIDENTIAL INFORMATION. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, THE CONFIDENTIAL INFORMATION IS PROVIDED "AS IS" AND COMPANY SPECIFICALLY DISCLAIMS ALL REPRESENTATIONS AND WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY AND NONINFRINGEMENT.

(vii) With respect to any non-public information of Contractor which is either furnished to Company in tangible form marked as "restricted", "confidential", "proprietary", or other appropriate legend, or disclosed to Company in non-tangible form with notice of its proprietary nature and subsequently described in writing delivered to Company within fifteen (15) days after disclosure by Contractor, Company agrees to exercise reasonable care to preclude disclosure thereof to any third party and permit disclosure only to Company's personnel and subcontractors who are involved in the Services and are bound by written confidentiality obligations prohibiting the further use and disclosure thereof. Except for the foregoing, Company will be under no restriction, and have no obligation to Contractor, to maintain the confidentiality of any information provided by or on behalf of Contractor.

**3.3. Export Restrictions.** In order to enable Company to disclose technology or software to Contractor in conformity with the requirements of Part 740.3 (d) of the U.S. Department of Commerce’s Export Administration Regulations, Contractor hereby gives assurance to Company that it will not, without a license or a License Exception from the U. S. Department of Commerce’s Bureau of Export Administration, re-export or release the technology and/or software, including source code, to any one of the countries listed in Country Groups D:1 or E:2 of Supplement No. 1 to Part 740 of the Export Administration Regulations or to a national of any one of those countries. Such countries are, as of February 4, 2008: Albania, Armenia, Azerbajian, Belarus, Burma, Cambodia, the People’s Republic of China, Cuba, Georgia, Iraq, Kazakhstan, Kyrgyzstan, Laos, Libya, Macau, Moldova, Mongolia, North Korea, Russia, Tajikstan, Turkmenistan, Ukraine, Uzbekistan and Vietnam.

**3.4. Survival**. This Section 3 shall survive termination or expiration of this Agreement.

**4. DATA PRIVACY AND INFORMATION SECURITY**

Contractor covenants and agrees that it will comply with the SPE Data Protection & Information Security Rider attached as Attachment 1 hereto (the “SPE DP & Info Sec Rider”), and incorporated herein.

**5. OWNERSHIP OF WORK PRODUCT**

5**.1. Work Product**. As part of this Agreement, and without additional compensation, Contractor acknowledges and agrees that all right, title and interest (including, without limitation, patents and copyrights) in any and all tangible and intangible property and work products, ideas, inventions, discoveries and improvements, whether or not patentable, which are conceived / developed / created / obtained or first reduced to practice by Contractor for Company in connection with the performance of the Services (collectively referred to as the "**Work Product**"), including, without limitation, all technical notes, schematics, software source and object code, prototypes, breadboards, computer models, artwork, literature, methods, processes and photographs, shall vest exclusively in Company. Contractor without further compensation therefor does hereby irrevocably assign, transfer and convey in perpetuity to Company and its successors and assigns the entire worldwide right, title, and interest in and to the Work Product including, without limitation, all patent rights, copyrights, mask work rights, trade secret rights and other proprietary rights therein. Such assignment includes the transfer and assignment to Company and its successors and assigns of any and all moral rights which Contractor may have in the Work Product. Contractor acknowledges and understands that moral rights include the right of an author: to be known as the author of a work; to prevent others from being named as the author of a work; to prevent others from falsely attributing to an author the authorship of a work which he/she has not in fact created; to prevent others from making deforming changes in an author’s work; to withdraw a published work from distribution if it no longer represents the views of the author; and to prevent others from using the work or the author’s name in such a way as to reflect on his/her professional standing.

5**.2. Company Property**. All Confidential Information, data, business plans and information, specifications, drawings, or other property furnished by Company or obtained by Contractor in connection with the performance of the Services hereunder shall remain the exclusive property of Company. Contractor agrees that such Company property will be used for no purpose other than for work for Company under this Agreement. Contractor shall be responsible for the safekeeping of all such property.

5**.3. Further Assurances**. Contractor agrees that without further remuneration (except out-of-pocket expenses) and whether or not this Agreement is in effect, Contractor will, at Company's request execute and deliver any documents and give all reasonable assistance which may be essential or desirable to secure to, assign, and vest in Company the sole and exclusive right, title, and interest in and to the Work Product.

**6. COMPETING SERVICES**

Company agrees that Contractor may engage in other business activities provided they do not affect its ability to perform its obligations and carry out its responsibilities to Company hereunder.

**7. INDEMNIFICATION**

**7.1.** **General**. Contractor shall use reasonable care and judgment in rendering the services to be performed hereunder. Contractor will defend, indemnify and hold harmless Company and each of its direct and indirect parents, subsidiaries and affiliates, and their respective officers, directors, employees, agents, representatives, successors and assigns (collectively, the "**Indemnitees**"), from and against any and all claims, demands, liabilities, losses, damages, expenses (including without limitation, penalties and interest, reasonable fees and disbursements of outside counsel, and court costs), proceedings, judgments, settlements, actions or causes of action or government inquiries of any kind (including, without limitation, emotional distress, sickness, personal injury or death to any person (including employees of Contractor, its contractors, representatives, agents, contractors, subcontractors and consultants ), or damage or destruction to, or loss of use of, tangible property) (“**Claims**”) arising out of, relating to or in connection with the negligent performance of the services under this Agreement or any breach of the representations, warranties, covenants, duties or obligations of Contractor (including, without limitation, the Personnel) under this Agreement; provided, however, that Contractor shall not be obligated to indemnify Company to the extent of the negligence or willful misconduct of Company.

**7.2. Infringement**. Contractor shall defend, indemnify and hold harmless the Indemnitees from and against any and all any Claims arising out of, relating to or in connection with or attributable to any claim that any or all of the Services, or any information, design, specification, instruction, software, data or material furnished in connection therewith (collectively, including the Services, the “**Material**”), which includes Contractor’s employees, represetantives, agents, contractors, subcontractors and consultants infringes any patent, trade secret, copyright, trademark or other proprietary right. Without limiting the foregoing, should any of the Services or Material become (or, in Contractor’s or Company’s opinion, be likely to become) the subject of a claim alleging infringement, Contractor shall immediately notify Company and shall, at its own expense and at Company’s option, use commercially reasonable efforts to: (a) procure for Company the right to continue to use the Services or Materials as contemplated by this Agreement; (b) replace or modify the Services or Materials so as to make them non-infringing, provided that the replacement or modification performs the same functions and matches or exceeds the performance and reliability of those replaced; or (c) if neither (a) or (b) above are, in Company’s opinion, commercially feasible, Company may return the infringing Materials and terminate this Agreement, whereupon Contractor shall (i) refund to Company all fees paid or payable for such Services or Materials and (ii) reimburse Company for the difference (if any) between the amounts paid or payable to Contractor and the amounts payable for such substitute services and materials, taking into account that such substitute services and materials may have to be obtained on an expedited basis).

**7.3. Indemnification Procedures**. Company will notify Contractor promptly in writing of any Claim of which Company becomes aware. Contractor may designate its counsel of choice to defend such Claim at the sole expense of Contractor and/or its insurer(s), so long as such counsel is reasonably acceptable to Company. Company may, at its own expense participate in the defense. In any event, (a) Contractor shall keep Company informed of, and shall consult with Company in connection with, the progress of any investigation, defense or settlement, and (b) Contractor shall not have any right to, and shall not without Company’s prior written consent (which consent will be in Company’s sole and absolute discretion), settle or compromise any claim if such settlement or compromise (i) would require any admission or acknowledgment of wrongdoing or culpability by Company or any Indemnitee, (ii) would, in any manner, interfere with, enjoin, or otherwise restrict any project and/or production of Company or any Indemnitee or the release or distribution of any motion picture, television program or other project of Company or any Indemnitee, or (iii) provide for any non-monetary relief to any person or entity to be performed by Company or any Indemnitee.

**7.4 Survival**. The obligations described in this Section 7 shall survive the termination/expiration of this Agreement.

**8. INSURANCE**

**8.1.** Prior to the performance of any service hereunder by Contractor, Contractor shall at its own expense procure the following insurance coverage for the benefit and protection of Company and Contractor, which insurance coverage shall be maintained in full force and effect until all of the Services are completed and for one (1) year after the termination or expiration of this Agreement:

8.1.1 A Commercial General Liability Insurance Policy with a limit of not less than $3 million per occurrence and $3 million in the aggregate and a Business Automobile Liability Policy (including owned, non-owned, and hired vehicles) with a combined single limit of not less than $1 million, both policies providing coverage for bodily injury, personal injury and property damage for the mutual interest of both Company and Contractor with respect to all operations;

8.1.2 An Umbrella or Following Form Excess Liability Insurance policy will be acceptable to achieve the above required liability limits; and

8.1.3 Professional Liability Insurance with a $1 million limit per claim and in the aggregate. If this policy is a claims-made policy, this policy will be in full force and effect during the term of this Agreement and for three (3) years after the expiration or termination of this Agreement; and

8.1.4 If applicable, Workers’ Compensation Insurance with statutory limits to include Employer’s Liability with a limit of not less than $1 million.

8.1.5 If applicable, Fidelity or Crime Policy/Bond for employee theft and dishonesty including third party property coverage in limits of not less than $250,000, which shall be included on the Certificate of Insurance with all other insurance requirements.

**8.2.** The policies referenced in the foregoing clauses 8.1.1 and 8.1.3 shall name Company and each of its direct and indirect parents, subsidiaries and affiliates (collectively, including Company, the “**Affiliated Companies**”) as an additional insured by endorsement. The policies referenced in the foregoing clauses 8.1.1, 8.1.2 and 8.1.3 shall contain a severability of interest clause, and in clause 8.1.4 (if applicable) provide a Waiver of Subrogation on behalf of the Affiliated Companies, and all liability policies shall be primary insurance in place and stead of any insurance maintained by Company. No insurance of Contractor shall be co-insurance, contributing insurance or primary insurance with Company’s insurance. All of the Contractor’s insurance companies shall be licensed to do business in the states and/or cuntries where Contractor’s work or services are performed; shall have an A.M. Best Guide rating of A:VII or better and the form of all policies and the provisions thereof shall be subject to Company’s prior approval; provided also that in the event that Contractor’s insurer(s) is(are) based outside of the United States, Contractor’s insurance policy coverage territory must include the United States written on a primary basis and provide Company with a right to bring claims against Contractor’s polices in the United States, as evidenced on the certificate of insurance or in a confirmation of coverage letter. The Contractor is responsible for any and all deductibles and/or self insured retentions under the Contractor’s policies.

8.3. Contractor agrees to deliver to Company: (a) Seven (7) days after the execution of this Agreement Certificates of Insurance and endorsements evidencing the insurance coverage herein required, and (b) renewal certificates and endorsements at least seven (7) days prior to the expiration of Contractor’s insurance policies. Each such Certificate of Insurance and endorsements shall be signed by an authorized agent of the applicable insurance company, shall provide that not less than thirty (30) days prior written notice of cancellation is to be given to Company prior to cancellation or non-renewal, and shall state that such insurance policies are primary and non-contributing to any insurance maintained by Company. Upon request by Company, Contractor shall provide a copy of each of the above insurance policies to Company. Failure of Contractor to maintain the Insurances required under this Section 8 or to provide ~~original~~ Certificates of Insurance, endorsements or other proof of such Insurances reasonably requested by Company shall be a breach of this Agreement and, in such event, Company shall have the right at its option to terminate this Agreement without penalty. Company shall have the right to designate its own legal counsel to defend its interests under said insurance coverage at the usual rates for said insurance companies in the community in which any litigation is brought.

**9. TERM, TERMINATION AND CANCELLATION**

**9.1. Term**. This Agreement shall commence on the Effective Date and thereafter shall remain in effect, subject to this Section 9. Consultant shall render Services to Company for the period (the “**Term**”) set forth in the applicable Work Order, subject to this Section 9.

**9.2. Termination**. This Agreement any or all of the Services, and/or any or all Work Orders may be terminated forthwith by either party upon the occurrence of any of the following, by the terminating party giving written notice to the other party by registered or certified mail, return receipt requested, in which event this Agreement shall terminate on the date set forth in such notice. The date of mailing said written notice shall be deemed the date on which notice of termination of this Agreement shall have been given.

(i) The other party commits any act of fraud, gross negligence or willful misconduct in connection with the Services rendered hereunder;

(ii) If any proceeding in bankruptcy or in reorganization or for the appointment of a receiver or trustee or any other proceedings under any law for the relief of debtors shall be instituted by the other party, or if such a proceeding is brought involuntarily against the other party and is not dismissed within a period of 30 days from the date filed, or if the other party shall make an assignment for the benefit of creditors;

(iii) A material breach by the other party of any of the terms of this Agreement which breach is not remedied by the other party to the terminating party’s reasonable satisfaction within 10 days of the other party’s receipt of notice of such breach from the terminating party by registered or certified mail, return receipt requested, or by Federal Express or other nationally recognized private overnight package/letter delivery service.

**9.3. Cancellation**. Any other provision of this Agreement notwithstanding, Company shall have the right, within it sole discretion, to terminate any or all of the Services being performed by Contractor, and/or any or all Work Orders and/or this Agreement upon five (5) working days’ prior written notice to Contractor. Any such termination shall be without any further liability hereunder for any reason whatsoever, and Company shall not be liable to Contractor for any further charges with respect to the Services being so terminated, except for such work which Contractor can demonstrate was properly performed prior to the date of termination.

**9.4. Force Majeure**. In the event delay is caused by circumstances beyond either party's control, including but not limited to fire, strike, war, riots, acts of God, and/or acts of civil or military authority, the Term shall be extended to provide for such delay. Immediately upon such an occurrence, the parties shall begin discussions as to mutually acceptable adjustments to or alternate methods of proceeding with the affected Services, and the impact, if any, on project schedules. If any such delay continues for a period beyond 30 days, and the parties are unable to agree to acceptable adjustments to or alternate methods of proceeding with the affected Services, then either party may request that the other party participate in discussions to establish mutually acceptable terms for the termination of any or all of the affected Services and/or this Agreement.

**9.5. Return of Confidential Information / Personal Information / Work Product**. Upon termination of this Agreement, or earlier upon Company's request, Contractor shall deliver to Company all items requested by Company containing any Confidential Information as described under Section 3.2 above, Personal Information as described in the SPE DP & Info Sec Rider, and/or Work Product as described under Section 5 above, or make such other disposition thereof as Company may direct in writing.

**10. INDEPENDENT CONTRACTOR**

**10.1. Independent Contractor**. It is understood and agreed that in performing the Services for Company hereunder, Contractor shall act in the capacity of an independent contractor and not as an employee, partner, joint venture or agent of Company. Contractor agrees that unless otherwise instructed in writing it shall not represent itself as the agent or legal representative of Company for any purpose whatsoever. Contractor shall be solely responsible for the remuneration of and the payment of any and all taxes with respect to its employees and contractors and any claims with respect thereto and shall be solely responsible for the withholding and payment of all federal, state and local income taxes as well as all FICA and FUTA taxes applicable to it, its employees, and its contractors. Contractor acknowledges that as an independent contractor, neither it nor any of its employees or contractors shall be eligible for any Company employee benefits, including, but not limited to, vacation, medical, dental or pension benefits.

**10.2. Indemnification**. Contractor agrees to indemnify Company for and hold it harmless from any and all taxes which Company may have to pay and any and all liabilities (including, but not limited to, judgments, penalties, fines, interest, damages, costs and expenses, including reasonable attorney’s fees) which may be obtained against, imposed upon or suffered by Company or which Company may incur by reason of its failure to deduct and withhold from the compensation payable hereunder any amounts required or permitted to be deducted and withheld from the compensation of an individual under the provisions of any statutes heretofore or hereafter enacted or amended requiring the withholding of any amount from the compensation of an individual.

**10.3. Withholding**. Notwithstanding any other provisions of this Agreement, if it should be determined that Company is legally required to make deductions from any amounts owed to Contractor under this Agreement (e.g., withholding taxes, social security contributions, etc.), Company shall have the right to do so.

**11. LIMITATION OF LIABILITY**

Under no circumstances shall either party be liable to the other for any special, indirect or consequential loss or damage whether or not such loss or damage is caused by the fault or negligence of such party, its employees, agents or contractors and whether or not the parties have been apprised of the possibility of such losses or damages. This exclusion of liability for special, indirect or consequential loss or damage is intended to apply to damage or loss of a “commercial” nature such as, but not limited to, loss of profits or revenue, cost of capital, loss of use of equipment or facilities, or claims of customers due to loss of service. This exclusion is not intended to apply to:

(i) loss or damage incidental to a default, termination, suspension or defect in Contractor’s services such as, but not limited to, additional managerial and administrative costs and expenses incurred in effecting a “cover” under a Contractor default excluding lost profits;

(ii) loss or damage to property or bodily, personal injuries (including death) directly caused by Contractor’s or Company’s negligence;

(iii) any loss or damage arising from a breach of the SPE DP & Info Sec Rider; and

1. any loss of Contractor’s fees, due under this Agreement only, resulting from a breach of this Agreement by Company.

**12. NOTICES**

To be effective, all communications and notices relating to this Agreement are to be sent by certified or registered mail, postage prepaid and return receipt requested (effective three (3) business days after postmark date), or delivered personally (effective upon receipt), or sent by nationally recognized overnight delivery service (effective one (1) business day after delivery to such delivery service), or by confirmed telecopy/facsimile (effective upon receipt), to the respective addresses set forth in the opening paragraph hereof (and, in the case of notices to Company, with a copy to: Sony Pictures Entertainment Inc., Thalberg Building, 10202 W. Washington Blvd., Culver City, California 90232, Attention: General Counsel, Facsimile: (310) 244-1797), or to such other addresses as either party shall designate by notice given as aforesaid.

**13. COMPLIANCE WITH THE FCPA**

13.1 It is the policy of Company to comply fully with the U.S. Foreign Corrupt Practices Act, 15 U.S.C. Section 78dd-1 and 78dd-2 (“FCPA”), and any other applicable anti-corruption laws (“**Company’s FCPA Policy**”). Contractor hereby represents and warrants that it is aware of the FCPA, which prohibits the bribery of public officials of any nation.

13.2 Contractor agrees strictly to comply with Company’s FCPA Policy. Any violation of the Company FCPA Policy by Contractor will entitle Company immediately to terminate this Agreement. The determination of whether Contractor has violated the Company FCPA Policy will be made by Company in its sole discretion.

13.3 Contractor understands that offering or giving a bribe or anything of value to a public official of any nation is a criminal offense. Contractor hereby explicitly represents and warrants that neither Contractor, nor, to the knowledge of Contractor, anyone acting on behalf of Contractor (including, but not limited to, the Personnel), has taken any action, directly or indirectly, in violation of the FCPA, Company’s FCPA Policy, or any other anti-corruption laws. Contractor further represents and warrants that it will take no action, and has not in the last 5 years been accused of taking any action, in violation of the FCPA, Company’s FCPA Policy, or any other anti-corruption law. Contractor further represents and warrants that it will not cause any party to be in violation of the FCPA and/or Company’s FCPA Policy and/or any other anti-corruption law. Contractor also agrees to advise all those persons and/or parties supervised by it (including, but not limited to, the Personnel) of the requirements of the FCPA and Company’s FCPA Policy. This representation includes, without limitation, making an offer, payment, promise to pay, or authorization of the payment of any money, or offer, gift, promise to give, or authorization of the giving of anything of value to any “foreign official” (as that term is defined in the FCPA) or any foreign political party or official thereof or any candidate for foreign political office in contravention of the FCPA.

13.4 Contractor further represents and warrants that, should it learn of or have reason to know of any request for payment that is inconsistent with clause 13.2 or 13.3 herein or Company’s FCPA Policy, Contractor shall immediately notify Company of the request.

13.5 Contractor further represents and warrants that Contractor is not a foreign official, as defined under the FCPA, does not represent a foreign official, and that Contractor will not share any fees or other benefits of this contract with a foreign official.

13.6 Contractor will indemnify, defend and hold harmless Company and its affiliates and their respective directors, officers, employees and agents for any and all liability arising from any violation of the FCPA caused or facilitated by Contractor.

13.7 Company and its representatives shall have the right to review and audit, at Company’s expense, any and all books and financial records of Contractor related to Company, at any time.

13.8 In the event Company deems that it has reasonable grounds to suspect Contractor has violated this Agreement or the provisions of the Company FCPA Policy, either in connection with this Agreement or otherwise, Company shall be entitled partially or totally to suspend the performance hereof, without thereby incurring any liability, whether in contract or tort or otherwise, to Contractor or any third party. Such suspension shall become effective forthwith upon notice of suspension by Company to Contractor, and shall remain in full force and effect until an inquiry reveals, to the satisfaction of Company, that Contractor has not violated this Agreement or any of the provisions of Company’s FCPA Policy. Such termination shall not affect Company’s indemnification or audit rights, as described in paragraphs 13.6 and 13.7 herein, and Company shall own all the results and proceeds of Contractor services performed pursuant to this Agreement.

**14. GENERAL**

**14.1. Observance of Company Policies.** When Contractor's employees are working on the premises of Company, said Contractor's employees shall observe the working hours, working rules, safety and security procedures established by Company.

**14.2. Assignment**. This Agreement, each attachment and each and every portion thereof, shall be binding upon the successors and assigns of the parties hereto; provided that no right or interest in this agreement shall be assigned by Contractor without the prior written permission of Company, and no delegation of the obligations owed by Contractor to Company shall be made without the prior written consent of Company. For the purposes of this Section 14.2, a Change of Control, as defined herein, shall be deemed an assignment. “Change of Control” shall occur: (i) with respect to a party that is a Public Company (as defined herein), if as a result of any event (including but not limited to any stock acquisition, acquisition of securities convertible into or exchangeable for voting securities, merger, consolidation or reorganization) any one or more persons or entities who together beneficially own, directly or indirectly, more than 20% of the combined voting power of the then-outstanding securities of such party immediately prior to such event (the **“Public Company Controlling Shareholder(s)”**) together fail to own, after such event, more than 20% of the combined voting power of the then-outstanding securities of such party (or any successor, resulting or ultimate parent company or entity of such party, as the case may be, as a result of such event); or (ii) with respect to a party which is not a Public Company (as defined herein), if as a result of any event (including but not limited to any stock acquisition, acquisition of securities convertible into or exchangeable for voting securities, merger, consolidation or reorganization) any one or more persons or entities who together beneficially own, directly or indirectly, more than 50% of the combined voting power of the then-outstanding securities of such party immediately prior to such event (the **“Non-Public Company Controlling Shareholder(s)”**) together fail to own, after such event, more than 50% of the combined voting power of the then-outstanding securities of such party (or any successor, resulting or ultimate parent company or entity of such party, as the case may be, as a result of such event). **“Public Company”** means any company or entity (i) whose securities are registered pursuant to the Securities Act of 1933, as amended, (ii) whose securities are traded in any national or international stock exchange or over the counter market or (iii) which is subject to the reporting requirements of the Securities Exchange Act of 1934, as amended.

**14.3. Waiver**. Either party's waiver of any breach or failure to enforce any of the terms and conditions of this Agreement at any time shall not in any way affect, limit or waive such party's right thereafter to enforce and compel strict compliance with every term and condition thereof.

**14.4. Governing Law; Arbitration**.

(i) THE INTERNAL SUBSTANTIVE LAWS (AS DISTINGUISHED FROM THE CHOICE OF LAW RULES) OF THE STATE OF CALIFORNIA AND THE UNITED STATES OF AMERICA APPLICABLE TO CONTRACTS MADE AND PERFORMED ENTIRELY IN CALIFORNIA SHALL GOVERN (i) THE VALIDITY AND INTERPRETATION OF THIS AGREEMENT, (ii) THE PERFORMANCE BY THE PARTIES OF THEIR RESPECTIVE OBLIGATIONS HEREUNDER, AND (iii) ALL OTHER CAUSES OF ACTION (WHETHER SOUNDING IN CONTRACT OR IN TORT) ARISING OUT OF OR RELATING TO THIS AGREEMENT (OR CONTRACTOR'S ENGAGEMENT AND/OR SERVICES HEREUNDER) OR THE TERMINATION OF THIS AGREEMENT (OR OF CONTRACTOR'S ENGAGEMENT AND/OR SERVICES).

(ii) All actions or proceedings arising in connection with, touching upon or relating to this Agreement, the breach thereof and/or the scope of the provisions of this Section 14.4 (a “**Proceeding**”) shall be submitted to JAMS (“**JAMS**”) for binding arbitration under its Comprehensive Arbitration Rules and Procedures if the matter in dispute is over $250,000 or under its Streamlined Arbitration Rules and Procedures if the matter in dispute is $250,000 or less (as applicable, the “**Rules**”) to be held solely in Los Angeles, California, U.S.A., in the English language in accordance with the provisions below.

(a) Each arbitration shall be conducted by an arbitral tribunal (the “**Arbitral Board**”) consisting of a single arbitrator who shall be mutually agreed upon by the parties. If the parties are unable to agree on an arbitrator, the arbitrator shall be appointed by JAMS. The arbitrator shall be a retired judge with at least ten (10) years experience in commercial matters. The Arbitral Board shall assess the cost, fees and expenses of the arbitration against the losing party, and the prevailing party in any arbitration or legal proceeding relating to this Agreement shall be entitled to all reasonable expenses (including, without limitation, reasonable attorney’s fees). Notwithstanding the foregoing, the Arbitral Board may require that such fees be borne in such other manner as the Arbitral Board determines is required in order for this arbitration clause to be enforceable under applicable law. The parties shall be entitled to conduct discovery in accordance with Section 1283.05 of the California Code of Civil Procedure, provided that (a) the Arbitral Board must authorize all such discovery in advance based on findings that the material sought is relevant to the issues in dispute and that the nature and scope of such discovery is reasonable under the circumstances, and (b) discovery shall be limited to depositions and production of documents unless the Arbitral Board finds that another method of discovery (e.g., interrogatories) is the most reasonable and cost efficient method of obtaining the information sought.

(b) There shall be a record of the proceedings at the arbitration hearing and the Arbitral Board shall issue a Statement of Decision setting forth the factual and legal basis for the Arbitral Board's decision. If neither party gives written notice requesting an appeal within ten (10) business days after the issuance of the Statement of Decision, the Arbitral Board's decision shall be final and binding as to all matters of substance and procedure, and may be enforced by a petition to the Los Angeles County Superior Court or, in the case of Contractor, such other court having jurisdiction over Contractor, which may be made ex parte, for confirmation and enforcement of the award. If either party gives written notice requesting an appeal within ten (10) business days after the issuance of the Statement of Decision, the award of the Arbitral Board shall be appealed to three (3) neutral arbitrators (the "**Appellate Arbitrators**"), each of whom shall have the same qualifications and be selected through the same procedure as the Arbitral Board. The appealing party shall file its appellate brief within thirty (30) days after its written notice requesting the appeal and the other party shall file its brief within thirty (30) days thereafter. The Appellate Arbitrators shall thereupon review the decision of the Arbitral Board applying the same standards of review (and all of the same presumptions) as if the Appellate Arbitrators were a California Court of Appeal reviewing a judgment of the Los Angeles County Superior Court, except that the Appellate Arbitrators shall in all cases issue a final award and shall not remand the matter to the Arbitral Board. The decision of the Appellate Arbitrators shall be final and binding as to all matters of substance and procedure, and may be enforced by a petition to the Los Angeles County Superior Court or, in the case of Contractor, such other court having jurisdiction over Contractor, which may be made ex parte, for confirmation and enforcement of the award. The party appealing the decision of the Arbitral Board shall pay all costs and expenses of the appeal, including the fees of the Appellate Arbitrators and the reasonable outside attorneys' fees of the opposing party, unless the decision of the Arbitral Board is reversed, in which event the costs, fees and expenses of the appeal shall be borne as determined by the Appellate Arbitrators.

(c) Subject to a party's right to appeal pursuant to the above, neither party shall challenge or resist any enforcement action taken by the party in whose favor the Arbitral Board, or if appealed, the Appellate Arbitrators, decided. Each party acknowledges that it is giving up the right to a trial by jury or court. The Arbitral Board shall have the power to enter temporary restraining orders and preliminary and permanent injunctions. Neither party shall be entitled or permitted to commence or maintain any action in a court of law with respect to any matter in dispute until such matter shall have been submitted to arbitration as herein provided and then only for the enforcement of the Arbitral Board’s award; provided, however, that prior to the appointment of the Arbitral Board or for remedies beyond the jurisdiction of an arbitrator, at any time, either party may seek pendente lite relief in a court of competent jurisdiction in Los Angeles County, California or, if sought by Company, such other court that may have jurisdiction over Contractor, without thereby waiving its right to arbitration of the dispute or controversy under this section. Notwithstanding anything to the contrary herein, Contractor hereby irrevocably waives any right or remedy to seek and/or obtain injunctive or other equitable relief or any order with respect to, and/or to enjoin or restrain or otherwise impair in any manner, the production, distribution, exhibition or other exploitation of any motion picture, production or project related to Company, its parents, subsidiaries and affiliates, or the use, publication or dissemination of any advertising in connection with such motion picture, production or project. All arbitration proceedings (including proceedings before the Appellate Arbitrators) shall be closed to the public and confidential and all records relating thereto shall be permanently sealed, except as necessary to obtain court confirmation of the arbitration award. The provisions of this Section 14.4 shall supersede any inconsistent provisions of any prior agreement between the parties.

**14.5. Severability**. In case any term of this Agreement shall be held invalid, illegal or unenforceable in whole or in part, neither the validity of the remaining part of such term nor the validity of any other term shall be in any way affected thereby.

**14.6. Remedies Cumulative**. All remedies provided herein are cumulative and not exclusive of any remedies provided by law or equity.

**14.7. Attorneys’ Fees**. In the event of any litigation between the parties hereto with respect to this Agreement, the prevailing party (the party entitled to recover the costs of suit, at such time as all appeals have been exhausted or the time for taking such appeals has expired) shall be entitled to recover reasonable attorneys' fees in addition to such other relief as the court may award.

**14.8. Survival**. Except as otherwise provided herein, the rights and obligations of the parties hereto shall survive any termination of this Agreement.

**14.9. Compliance with Law**. Contractor will comply with all statutes, ordinances, and regulations of all federal, state, county and municipal or local governments, and of any and all of the departments and bureaus thereof, applicable to the carrying on of its business and performance of the Services. Contractor shall supply Personal Information to Company only in accordance with, and to the extent permitted by, applicable laws relating to privacy and data protection in the applicable territories. Personal Information supplied by Contractor to Company will be retained and used in accordance with the Sony Pictures Safe Harbor Privacy Policy, located at <http://www.sonypictures.com/corp/eu_safe_harbor.html>.

**14.10. Equal Opportunity.** Company is an equal opportunity employer and actively supports federal, state and local laws prohibiting discrimination in employment practices because of race, color, religion, sex, age, handicap, marital status, Vietnam Era and/or special disabled veteran status, national origin, sexual orientation, or any other classification protected by law, and Company further complies with any and all other federal, state and local employment laws and regulations (including those pertaining to family and medical leave and other fair employment practices), including but not limited to the Equal Opportunity Clause in 41 C.F.R. Section 60-1.4 (all of the foregoing being collectively referred to as the “**Employment Obligations**”). Contractor hereby agrees to comply with all of the Employment Obligations.

**14.11. Complete Agreement; Amendment.** This Agreement constitutes the complete agreement between the parties hereto and supersedes all prior communications and agreements between the parties with respect to the subject matter hereof and may not be modified or otherwise amended except by a further writing executed by both parties hereto, which writing makes specific reference to this Agreement. For the avoidance of doubt, the terms and conditions contained on any order form or other standard, pre-printed form issued by the Contractor shall be of no force and effect, even if such order is accepted by Company. In no event shall Company’s, acknowledgment, confirmation or acceptance of such order, either in writing or by acceptance of services, constitute or imply Company’s acceptance of any terms or conditions contained on a Contractor form.

**14.12. Headings.** The paragraph headings in this Agreement are solely for convenience of reference and shall not affect the interpretation of this Agreement.

**IN WITNESS WHEREOF**, the parties hereto by their duly authorized representatives have executed this Agreement as of the Effective Date.

**ENTER ENVIRONMENTS, INC.** **SONY PICTURES STUDIOS INC.**

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Print Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Print Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Title:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**EXHIBIT A**

# WORK ORDER

Effective Date: 03/18/14

This Work Order is attached to and made a part of the Agreement dated as of march 18, 2014 between SONY PICTURES STUDIOS INC. ("**Company**") and ENTER ENVIRONMENTS, INC. (“**Contractor**”).

1. SERVICES:

Provide the following Project Management Services for the Sony Production Services Building;

**3.1 PRE-CONSTRUCTION PHASE SERVICES**

**3.1.1 Phase 1 Project Analysis Phase - Overall Project Management**

* + 1. Assess the status of the project and develop in conjunction with Sony Pictures Entertainment (SPE), their consultants and the Architect of Record, the required monitoring and reporting criteria. This will involve a determination of:

1. Organizational Structure for the total Project taking into account the phasing and the status of where each project component currently stands (as per pages 6 & 7).
2. Working Procedures.
3. Meeting Schedules/Types of meetings required/Attendance at Meetings/

Recording of Meeting Minutes.

1. Sony Pictures Entertainment and Inter-project reporting requirements, particularly on budget issues and schedule.
2. Project Team Internal Communication channels and methods of coordinating Design/Demolition/Construction/FF&E Installation/Move & Project Closeout. These activities, where applicable are to be acutely aware of the organizations ongoing activities to ensure that disruptive effects are minimized.
3. Design and develop external communication channels and coordinate all activation throughout the entire project.
4. Assess with the Clients personnel its on-lot needs during design and construction. Also coordinate site security, construction site parking and access requirements (which could be phased depending upon the stage of construction).
5. Assess with the Client the project site logistics, including the impacts on any adjoining on-lot property from infrastructure construction and safeguard the client’s operational interest with particular respect to maintaining smooth Studio Production operations throughout project, shoring design responsibility, shoring installation liability, dust control and noise control, vibration, construction debris, construction parking, haulage routes, deliveries for the construction activities and environmental issues.
6. Understand that there will potentially be two contractors working on the lot simultaneously depending on the outcome of the GC RFP.
7. Understand the Harry and Jack Cohn Building Standards and how they apply to the current Design and Development Plan.
8. Develop a High-Level Schedule for project from inception to closeout, which specifically integrates the project Development Agreement approvals, design and construction through project closeout activities and includes all relevant milestone dates.
9. Develop an overall Program Schedule which incorporates all Project Level schedules.
10. Develop a detailed total project Budget within the approved Sony Corporation (Tokyo) project costs.
11. Develop a Project Accounting System for tracking all project cost in conjunction with SPE’s studio finance guidelines and fiscal year tracking requirements (SPE Fiscal year April 1 to March 31).
12. Provide a monthly report to SPE Executive Support Staff on the project progress and budget through a formatted, written report to a pre-agreed level of detail that will be reviewed with the Sony Corporate Executives.
    * 1. Following an assessment of the demands for the project, including but not limited to those stated above, the Project Management Consultancy Firm will propose the relevant project organizational systems structures, and operating procedures, etc., to Sony Pictures Entertainment, its staff and Consultants for approval.
    1. **SCHEMATIC DESIGN PHASE**
       1. Review the status of the existing Culver City Development Agreement and how the proposed plan is in compliment and understand ongoing City discussions that relate to compliance exemptions. Working in conjunction with SPE Government Affairs Representative and with SPE Studio Land Use Attorney, (and other SPE Consultants as deemed appropriate) to determine any land use issues.
       2. Coordinate with SPE staff and its consultants to accurately define overall project objectivities and options for this stage of the work.
       3. Assist SPE in determining the project team’s organizational structure, operating procedures, responsibilities, authorities, reporting systems, and communications channels while taking into account the client’s in-house capabilities and Executive Support Consultants and the input and resources from Design and Construction Consultants.
       4. Assist SPE and the Architect by recruiting all other necessary Consultants.
       5. Within Sony Pictures Entertainment (SPE) and the project’s defined parameters, develop the SPE Master Project Schedule for all phases of the project including: Planning, Consultant Scope Definition/Free Negotiations, validation of project with the existing Entitlements/Planning approvals within the Design, Permit Approvals, Contractor/Subcontractor Pre-Selection, Bidding, Contract Negotiation, Phased Construction, Phased Hand-Over, FF&E Bidding/Purchasing/Shipping/FF&E Installation, SPE Staff Move/Move Coordination, Staff Training and Phased Completion of each project.
       6. Coordinate closely with SPE Technology and Communications Systems and Security Systems Directors or any other Specialist Consultant and/or vendor, as required.
       7. Coordinate with SPE Project Team / Facilities Management Staff to develop operational planning.
       8. With SPE staff and Consultants further develop the total project budget within the confines of the approved Sony Corporation (Tokyo) project costs.
       9. Organize, if requested, any Consultant selection process for the Project.
       10. Consult with SPE, their Consultants, the Architect, and the selected contractor, to determine whether the project's needs would be best served by a conventional, phased or "fast track" construction process for each stage of the project and whether the work could best be achieved by "Lump Sum Bid", "Negotiated" or "Guaranteed Maximum Price" (GMP) Contract.
       11. Determine if and when Contractor should be hired to assist with pre-construction services.
       12. Report monthly to SPE Executive Support Staff on the project progress and budget through a formatted, written report to a pre-agreed level of detail.
    2. **DESIGN PHASE**
       1. The Consultant with the design team will expand and refine the preferred concept into a working framework, to facilitate development and implementation decisions to be made on a logical basis which will culminate in the development of a final Development Plan design and program, which in turn will form the basis of a building’s design.
       2. Coordinate with Sony Pictures Entertainment (SPE), their Consultants, and with the Architect, to assist in the development of the Comprehensive Development Plan through the traditional design phases of the plan to ensure that the project meets: the Development Agreement criteria, aesthetic standards, functional criteria, flexibility in its future use, budget, suitability of materials, low maintenance and constructability needs of SPE.
       3. On behalf of SPE, ensure that FF&E and technical/design related Building User and Operations information is available when needed by the Architect/Engineering Consultants for integration into the natural progression of the design process. This is achieved by scheduling with the SPE Operations Staff Consultants the design/selection of Technology Consultants/FF&E Consultants/Vendors and subsequent development of the design for the facility including but not limited to audio visual, security, data and telecom and other related needs (as required). This process should also include the integration of necessary design information for systems furniture / private office furniture, low voltage systems, telephone systems, and security systems, computer management systems and back-of-house area requirements.
       4. Assist in obtaining SPE approval as necessary for each key/milestone stage and for each discipline within the project’s design.
       5. On behalf of SPE, participate in and monitor the design process as it relates to the specific project schedule and project budget and formally report the status to Sony Pictures Entertainment on a monthly basis.
       6. More closely define the FF&E departmental and construction budgets and schedule for a phased installation and phased completion of each project.
       7. Project and Construction Document Control – on behalf of SPE cause the Architect/Engineer to maintain a complete and current on-site record of specifications, drawings, drawing revisions, submittals, shop drawings, A.S.I.’s, R.F.I.’s and inspection records, from the projects inception to its completion. Ensure the Architect/Engineer immediately communicates to all affected parties the latest documents as they are issued and regularly verify that all project team members are working from the latest construction documents. In addition cause the Architect/Engineer to:
13. Establish an efficient storage and retrieval system for all contract documents similar in functionality to an FTP site.
14. Ensure that transmittals of all incoming and outgoing documents are maintained and monitored to track proper deliveries.
15. Ensure that progress photos are taken on a regular basis. Additional event photos shall be taken for exceptional conditions. Ensure that all photos are date stamped and cataloged to document the status of the work.
16. Utilize electronic media storage and retrieval systems wherever possible.
17. Ensure that documentation of “As-Built” conditions is maintained continuously in an electronic format with a completed set prepared for SPE one week prior to Beneficial Occupancy.
18. Warranty/Operations Documents – Ensure that all responsible parties produce the necessary warranty and operations manuals for each discipline and that they are reviewed and approved by the related Consultant before issue. The warranty duration for individual elements should be noted wherever extended warranties are necessary. Create a matrix to track the Warranty dates for each related Specification Section and/or piece of equipment (as necessary).
    * 1. Thoroughly pre-qualify the Contractor(s). This process, in the later stage of selection, should also include pre-qualifying the Contractor’s Project Staff and the principal Subcontractor’s and their staff, as required.
      2. Commence the process of coordinating with SPE FF&E/OS&E Purchasing Department and discuss and organize with SPP staff it’s office requirements regarding fixtures, furniture, operating supplies, equipment purchases, and installation to meet the project schedule, budget and operating requirements.
      3. Review bidding documents with particular emphasis on:
19. Completeness of design documents, including drawings and specifications for the:
20. Functional applicability of design for each particular operation. (This will include focused design review meeting(s) with specialist Sony Pictures Studio personnel, vendors and consultants and others.)
21. Cost implications of design
22. Low maintenance and Facilities Operational requirements.
23. Buildability and Bidability of design
24. Bond, Legal, and Insurance Requirements.
25. Development Agreement requirements / Governmental Approvals Requirements.
26. Owner/Contractor Agreement Requirements.
27. Scope of various allowances (if any).
28. The requirement for proposed job site management staff.
29. Alternatives/value-engineering options showing “net” savings.
30. Definition of the project phased construction and handover requirements.
31. Phasing and access requirements to minimize the impact of Construction on Sony Pictures Studio Lot, local traffic patterns and its’ neighbors with a phased office occupancy.
    * 1. Assist SPE Attorney and Consultants in developing a tight and clearly understandable “Intent of Design” Construction Contract fully detailing the scope of work so as to reduce to a minimum any extra charges / Change Orders, and also to facilitate efficient construction while minimizing the impacts to SPE during their early occupancy of a phased development project.
      2. Clearly review and define the Contractor’s scheduling requirements for the project, (assuming the contractor is involved during the design process) including the phased handover of areas in advance of total project completion to:
32. Maintain the operating efficiency of any on-site SPE activity during the phased construction process.
33. Allow for FF&E installation/furnishing.
34. Early handover of operational areas (such as Administrative Offices, Support Areas on Post Production or other Facilities).
35. Coordinate early construction Tenant Improvement and mock-up requirements of Architectural or Interior elements to define Design requirements.
36. Mitigate impacts to Sony Pictures Entertainment daily operations.
37. Incorporate anticipated weather and production (i.e. – “red light”) delays.
    * 1. Report monthly to SPE Executive Support Staff on the project progress and budget through a formatted, written report to a pre-agreed level of detail.
      2. Work with SPE, their Consultants and the Architect of Record to clearly define future Contractor laydown areas while mitigating impacts to ongoing SPE daily operations.
      3. Work with the Architect of Record to clearly define the list of required submittals including Deferred Approval Submittals.
      4. Work with Sony Pictures Entertainment, their Consultants and the Architect of Record to establish a reasonable list of attic stock/spare parts for future use by Operations and Maintenance staff. Incorporate this list into the Pre-Bid Documents.
      5. Ensure that all existing infrastructure related facilities are audited as they relate to the tie-in of new project related utilities. Additional testing may be required as it relates to water pressure for fire sprinklers, fire hydrants and stand pipes. Include upgrades as necessary for existing electrical substations, equipment, Central Plants, etc. LEED commissioning for all new equipment will be required.
    1. **CONSTRUCTION BIDDING/NEGOTIATION PHASE**
       1. Coordinate with Sony Pictures Entertainment (SPE) the preparation of packages for SPE furnished items (Furniture, Fixtures and General and Specialist Equipment). Solicit and pre-qualify material vendors for integration in the bid packages and with the Architect, distribute bid packages and conduct pre-bid conferences. Ensure that all information on the SPE construction and operational requirements are conveyed to the Design Team in sufficient time for them to be included in the bid documents.
       2. On SPE’s behalf, and with the Architect, arrange a project site walk through/inspections as part of a Contractor's pre-bid conference.
       3. In conjunction with the SPE Contract Administrator and the Architect (and with the Contractor if hired in pre-construction), evaluate the bids and prepare a bid comparison matrix for all sub-contract Shell/Core and T.I. trades.
       4. Evaluate all qualifications and exclusions by the bidders and negotiate their inclusion in the contract scope, if they are important to ensuring that a complete and comprehensive bid is obtained for the project.
       5. Finalize contract amendments for inclusion in the bid process.
       6. Continue to qualify Contractors/Subcontractors and refine schedule requirements for inclusion in the contract.
       7. Solicit value-engineering opportunities from bidders and the Architect and evaluate them with the project team to realize efficiencies and, where sensible, implement changes to reduce the budget.
       8. Ensure that unit prices are included in all contracts to minimize the cost of extras and overruns if they occur.
    2. **POST BID/BID ANALYSIS**
       1. With Sony Pictures Entertainment (SPE), their Consultants, the Architect and the Contractor (as appropriate), interview bidding Subcontractors and review their bids by line item in detail to ensure the required scope is covered.
       2. Clearly define phased handover requirements for SPE operational / FF&E installation and equipment installation requirements and staff occupation of the Studio Lot Buildings to the FF&E Contractor/Subcontractor to ensure clear understanding and inclusion in the project schedule.
       3. Finalize the review of value-engineering suggestions with the Architect and discuss with SPE Operations and Facilities Team in order to achieve savings on the Contractor’s/Subcontractor’s final bid and revise the project budget accordingly.
       4. Solicit comments from all bidders regarding areas of concern, omission or ambiguity in the contract documents as derived from their experiences during the bidding process. Investigate these issues with SPE, their Consultants and the Architect and rectify through design solutions or through written description in the contract to ensure that the contract scope is defined as completely as possible (and the potential for any errors and/or omissions are significantly reduced), prior to any construction contract/subcontract being signed.
       5. Obtain a baseline schedule from the Contractor and ensure that it is representative of the SPE Operational and Facilities project requirements, including the definition of long lead items. Include line items in the schedule for shop drawing approval, fabrication of equipment, delivery and installation, and phased handover of areas of the Studio Lot for technical and/or operational staff training and other operational needs. Ensure that the schedule of values for the work is developed and if it is representative of the work progression and not “front-loaded”.
       6. With the SPE Contract Administrator and the Architect of Record, define the Pay Application process for the Contractor, including format and Lien Release submission procedures and documentation requirements for confirmation in the Contract (i.e. monthly progress schedule updates; Preliminary Notice/Lien Release Log, Buy-Out Schedule, Insurance Compliance Log, Daily Reports, As-Built audits, etc.).
       7. With the Architect of Record, define standard project administration procedures and routing for the Contractor.
       8. Define Change Order substantiation procedures to the Contractor (and include confirmation in the Contract).
       9. Assist in negotiation of final contract terms and conditions with the Contractor. Obtain all necessary signatures and deliver to SPE for execution.
       10. Refine the project budget and schedule from information obtained during the bid process to ensure that it is up to date and representative of the contractual agreement and formally report this to SPE Executive Support Staff.
       11. With the Consultants and Contractors, refine the project's cash flow projections for SPE information/action from the information obtained during the contract negotiation process.
       12. Provide Emergency Contact Procedures and List of Contacts to the Contractor.
       13. Review with Contractor the requirements for Daily reports that establish manpower as it relates to the Contractor’s schedule.
    3. **CONSTRUCTION SERVICES PHASE- ADMINISTRATION OF CONTRACT**
       1. On behalf of Sony Pictures Entertainment (SPE) and with the Architect, provide administration for the duration of the construction contract, with particular emphasis being given to matters pertaining to time, money, (Change Order evaluation and Payment Application processing) submittals, shop drawings, RFI’s, ASI’s, Bulletins, Logisitics, Phasing, Asset Relocation, etc. Ensure all Deferred Approval submittals are presented to and approved by the appropriate governing jurisdiction agencies.
       2. Oversee development and ongoing updates of the Contractor's detailed critical path method schedule ensuring that SPE Facilities and Operational requirements are included with particular emphasis to the phased completion and handover requirements. Throughout the project, monitor and verify that the Contractor's performance is consistent with the approved baseline contract schedule and ensure that corrective action including, but not limited to, overtime, off-hours work and additional resources/manpower (as allowed by ongoing operations) is implemented where differs.
       3. Coordinate with SPE Facilities and Operations personnel, their Vendors installation of the telephone system, Security and Data management systems and other low voltage systems, including: coordination of FF&E and OS&E specifications, bidding, fabrication, shipping, delivery, receipt, staging and installation for a phased completion and handover of areas for Studio Lot operations. With the SPE Facilities and Operational Team and the SPE Purchasing Agent design a tracking system to closely monitor the FF&E/OS&E design, design approval, order, shop drawing development, shop drawing approval, fabrications, shipment, delivery, unloading, staging, installation, testing, start-up and operation to ensure that it follows the same project schedule as the construction process.
       4. Ensure that the Contractor is adhering to the invoice processing procedure and that an audit process is established for the SPE Facility and Operational Staff to reimburse the Contractor and the FF&E/OS&E vendors and suppliers and integrate this with the projects budgeting and accounting control systems.
       5. With the Consultants, evaluate, approve and process Payment Applications through the Sony Pictures Entertainment Staff for payment and update all project budgeting and cost accounting systems with the approved payment information including deduction for retention and liens (as appropriate). Review Contractors as-built documents on a monthly basis as part of the payment process. Ensure all appropriate back-up documentation is included with application including conditional and unconditional lien releases.
       6. Review and familiarize yourself with the Quality Control requirements of the project. Assist the Architect, as required in quality control of the work as it proceeds.
       7. Chair weekly site progress meetings and ensure that they are accurately minuted and that action items are addressed/resolved between the regularly scheduled meetings by their responsible parties.
       8. Evaluate and resolve with the Architect and his Consultants any Change Order applications and process through the Payment Application process to SPE Executive Support Staff for payment. Report the negotiated amounts to the personnel responsible for monitoring and maintaining the project budget and accounts.
       9. Assist the Architect in their punchlisting of the work as it progresses and finally with the Architect, coordinate close-out documentation for the project, including: warranties, guarantees, final as-built drawings and specifications, operating manuals, attic stock, spare parts and staff training.
       10. Organize the SPE Facilities and Operational Staff, the FF&E/OS&E Vendors and Subcontractors in punchlisting their work.
       11. With the SPE Facilities and Operational Staff and Engineer assist in the coordination of the FF&E/OS&E installation, phased occupancy, asset relocation, staff hiring (as necessary), staff training and phased completion of the project.
       12. On behalf of SPE, assist the Contractor and Architect in the permit approval and Temporary Certificate of Occupancy process, as required and also the MEP and Fire Sprinkler Subcontractor’s design approvals particularly, if these systems are design-build.
       13. Develop an R.F.P. and, following approval by SPE Executive Support Staff, competitively bid the staff phased relocation to the new studio facilities (if required). On behalf of SPE, hire the move coordinator/mover and supervise/coordinate Sony Pictures Entertainment staff relocation, including their belongings and any existing Sony Pictures Entertainment furniture, fixtures and equipment which is being relocated to the project site from their existing locations.
       14. Evaluate Post Occupancy trouble reports and claims and ensure proper resolution.
       15. Resolve and close-out all other outstanding project issues.
       16. Complete the project and settle any outstanding claims.

2. TERM:

From 03/18/14 until 12/31/16 or until earlier termination pursuant to Section 9 of the Agreement, whichever is first.

3. COMPENSATION:

a. Contractor will be compensated at a rate of $6,750.00 USD

per week from 03/18/14 through 06/30/2016 for the services of Project Management.

b. Contractor will be compensated at a rate of $2,750.00 USD

per week from 07/01/16 through 12/31/2016 for the services of Project Management.

c. Expenses: Prior written approval by the Company is required for Reimbursables.

d. Overtime compensation will be at the above rate.

e. Other Compensation: Mileage at a rate of $0.56 USD per mile.

f. Estimated Costs: $926,250.00 USD

4. MANAGER:

Project Manager: Tony Kantarjian

5. PERSONNEL:

Contractor employees:

Name: Tony Kantarjian

Name: Scott Clendinin

Contractor Third Parties:

Name: N/A

Name: N/A

AGREED AND ACCEPTED this 18th day of March, 2014:

SONY PICTURES STUDIOS INC. ENTER ENVIRONMENTS, INC.

By:\_ By:

Print Name: Print Name:

Title: Title:

**EXHIBIT B**

**ADDITIONAL / MODIFIED WORK AUTHORIZATION FORM**

This Additional Work Authorization / Work Order is attached to and made a part of the Agreement dated as of \_\_\_\_\_\_\_\_\_\_\_\_\_\_ between \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ("**Company**") and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (“**Contractor**”).

ADDITIONAL SERVICES

1. Detailed description of the Additional Services or modification to previously assigned Services to be performed by Contractor and Time Frames for Completion of the modified or Additional Services:

2. LOCATION(S) at which modified or Additional Services are to be performed:

3. ADDITIONS/MODIFICATIONS to the terms of the Agreement. The following terms and conditions shall be incorporated into and deemed a part of the Agreement:

4. Reports to be prepared and when due (additional reports may be requested by COMPANY from time to time in accordance with Paragraph 1.3 of the Agreement):

FEES

Fees, if any, for performance of the modified or Additional Services (including timing and amount of any interim fees and total Fee), and additional reimbursable items, if any:

AGREED AND ACCEPTED this \_\_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_, 20\_\_:

[Company] [Contractor]

By:\_ By:

Print Name: Print Name:

Title: Title:

# ATTACHMENT 1

SPE DP & Info Sec Rider

All capitalized terms not defined in this SPE Data Protection & Information Security Rider (“the SPE DP & Info Sec Rider”) will have the meaning assigned to them in the [Insert Name of Agreement, such as “Consultant Services Agreement” or “Software License Agreement”] (“Agreement”)], including the exhibits thereto. For purposes of this SPE DP & InfoSec Rider: (i) “SPE” shall mean [Insert defined term used for the SPE entity in the Agreement, such as “Company” or “Licensee”], and (ii) “Vendor” shall mean [Insert defined term used for the vendor entity in the Agreement, such as “Consultant” or “Licensor”].

1. Certain Definitions.

“Account Data” means a credit or debit card holder’s credit or debit card account number, bank account number, name, service code, security code, card validation code or value (e.g., CVV number), expiration date, magnetic stripe data, PIN, PIN block, and/or password, which is (a) disclosed or furnished, in any form, by SPE, its affiliates, agents or employees to Vendor in connection with Vendor’s performance of the Services, or (b) collected, stored, processed, transmitted, accessed or used by Vendor in connection with Vendor’s performance of Services.

“Information Security Incident” means (a) a Data Privacy Incident, or (b) any adverse event or activity (observable occurrence) that threatens or may threaten (i) Vendor Systems, SPE Systems or SPE Data including an actual or potential violation, compromise or breach of the security of Vendor Systems, SPE Systems or SPE Data, (ii) use of Vendor Systems, SPE Systems or SPE Data for purposes other than those intended under the Agreement, and (iii) the confidentiality, integrity and/or availability of Vendor Systems, SPE Systems or SPE Data.

“SPE Data” means, collectively and individually, any and all SPE data and information including, without limitation, SPE Confidential Information, Personal Information, and Account Data which is (a) disclosed or furnished, in any form, by SPE, its affiliates, agents or employees to Vendor in connection with Vendor’s performance of the Services, or (b) created, collected, stored, processed, transmitted, accessed or used by Vendor in connection with Vendor’s performance of Services.

“SPE Systems” means SPE’s (including its affiliates and subsidiaries) information systems, applications, databases, infrastructure, platforms, and networks.

“Third Party Request” means any request or complaint to Vendor (including its affiliates, subsidiaries, contractors, subcontractors and its and their employees) related to SPE Data and/or Confidential Information and/or Personal Information. Third Party Requests include, but are not limited to, a lawful search warrant, court order, subpoena, discovery request, complaint or any valid legal order.

“Vendor Systems” means Vendor’s information systems, applications, databases, infrastructure, platforms, and networks (a) utilized to provide the Services, (b) collecting, storing, processing, transmitting, accessing or using SPE Data, and/or (c) with access to, connection to, use of or otherwise interacting with SPE Systems.

II. Confidentiality and Preservation of SPE Data; Third Party Requests.

For the avoidance of doubt, the provisions in this Section II are in addition to, and without limitation to, the confidentiality requirements set forth in the Agreement. SPE Data will be considered Confidential Information under the Agreement. Except as required by law, Vendor agrees that it will not, without the prior written consent of SPE (except to Vendor’s officers and employees who have a need-to-know) disclose SPE Data to any person, other than the SPE employee(s) who are directing the activities of the Vendor in connection with the Agreement. If SPE consents in writing to the disclosure of SPE Data to a third party, Vendor will require that third party to have agreed in writing with Vendor to terms at least as stringent and comprehensive as the provisions of this SPE DP & Info Sec Rider prior to disclosing any SPE Data to such third party.

Additionally, SPE Data will be treated in accordance with the following requirements:

1. Vendor will strictly keep in confidence and not disclose or disseminate to any third party the SPE Data and will not use the SPE Data without SPE’s prior written consent for any purpose other than the performance of Vendor’s obligations under the Agreement.
2. If requested by SPE, Vendor will promptly destroy or return, in each case in a sufficiently secure manner as approved and directed by SPE, all SPE Data in its possession, and, if destruction is requested, Vendor will provide SPE with a declaration in a form satisfactory to SPE, duly executed by an officer of Vendor, verifying that such SPE Data has been destroyed.
3. Vendor will keep all system generated security logs created as part of standard operational security procedures associated with the protection of SPE Data in a secure location for a rolling twelve (12) month period beginning as of the Effective Date, except as SPE otherwise instructs in writing.
4. **INTENTIONALLY OMITED**
5. **Preservation.** Vendor shall preserve the accuracy and integrity of SPE Data in accordance with SPE’s instructions and requests, including without limitation any retention schedules and/or litigation hold orders provided by SPE to Vendor, regardless where the SPE Data is stored (specifically, and without limitation, even where such SPE Data resides with or is held, processed or stored by Vendor, a contractor, subcontractor, subvendor, or other third party).
6. **Authentication.** Vendor shall cooperate fully with SPE in providing any requested assistance in connection with the authentication of any SPE Data for purposes of litigation, investigation, or otherwise, including without limitation testifying (by affidavit, declaration, deposition, in court, or otherwise) as a custodian of records to authenticate SPE Data, establish chain of custody, and/or provide any other requested information and/or assistance. SPE shall reimburse Vendor its reasonable, documented out-of-pocket expenses for providing such information and/or assistance.

III. INTENTIONALLY OMITTED

IV. Information Security Program and Requirements.

Vendor will implement, maintain and comply with at all times a written information security program (“Information Security Program”), which will include policies, procedures and technical and physical controls to (i) ensure the security, availability, integrity and/or confidentiality of Vendor Systems. SPE Systems and SPE Data, (ii) identify and protect against potential threats or hazards to Vendor Systems, SPE Systems and SPE Data, (iii) protect against unauthorized access to or use of, alteration of and/or destruction of Vendor Systems, SPE Systems and SPE Data, (iv) ensure secure disposal of SPE Data, and (v) ensure that SPE is notified as required hereinin the event of an Information Security Incident. In addition, Vendor will monitor, evaluate, and adjust, as appropriate, the Information Security Program in light of any relevant changes in technology or industry security standards, the sensitivity of SPE Data, internal or external threats to Vendor Systems, SPE Systems or SPE Data requirements of applicable work orders, and Vendor’s own changing business arrangements, such as mergers and acquisitions, alliances and joint ventures, outsourcing arrangements, and changes to information systems.

Vendor will, at a minimum, comply with the safeguards and requirements set forth below to ensure the protection of Vendor Systems, SPE Systems and SPE Data and include or address these safeguards and requirements in its Information Security Program.

1. Assigned Security Responsibility – Vendor will designate a management level or above security official employed by Vendor responsible for the development, implementation, and ongoing maintenance of its Information Security Program. The appointed official will have appropriate recognized Information Security credentials and qualifications. Vendor will identify such designated official, provide such official’s contact information and, upon request, a copy of his/her information security credentials. If the Vendor fails to designate such a highly-qualified official, SPE will have the right to terminate the agreement without liability.

B. Secure Authentication Protocols and Access Control Measures – Vendor will implement and maintain Secure Authentication Protocols and Access Control Measures (defined below) and other policies, procedures, and physical and technical controls designed:

(i) to limit access to Vendor Systems, SPE Systems and SPE Data and the facilities in which they are housed to a limited number of properly-authorized persons, each of whom are under an obligation (written or by policy) of confidentiality and non-disclosure, having a need for such access to perform Vendor’s obligations under the Agreement, and authorized to access such data and systems solely as necessary to perform Vendor’s obligations under the Agreement,

(ii) to ensure that all persons having access to Vendor Systems, SPE Systems and SPE Data have appropriately controlled and limited access and ensure such access is removed when no longer required or appropriate, and to prevent all personswho should not have access (including, without limitation, terminated employees) from obtaining access, and

(iii) to prohibit persons from making copies or reproductions of SPE Data, or otherwise transmitting SPE Data, except to the extent necessary solely to perform Vendor’s obligations under the Agreement, in which case all such copies and reproductions will be deemed SPE Data.

“Secure Authentication Protocols and Access Control Measures” include, without limitation, (a) use of secure user authentication protocols (including control of user IDs and other identifiers), (b) a reasonably secure method of assigning and selecting passwords, or use of unique identifier technologies (such as biometrics or token devices), (c) control of data security passwords to ensure that such passwords are kept in a location and/or format that does not compromise the security of the information they protect (in particular, passwords must be encrypted or stored using a salted hash), (d) restricting access to active users and active user accounts only, and (e) requiring management approval for administrative user access to SPE Data or SPE Systems with such administrative user sessions expiring within fifteen minutes.

C. Incident Response Plan (“IRP”) – Vender will implement policies and procedures designed to detect, respond to, and otherwise address Information Security Incidents, including specific points of contact available to SPE in the event of an Information Security Incident, including procedures (i) to notify SPE in accordance with Section V below in the event of an Information Security Incident, (ii) to monitor and detect actual and attempted attacks on, or intrusions into, the Vendor Systems and/or SPE Data, (iii) to identify and respond to suspected or known Information Security Incidents, (iv) to immediately mitigate the harmful effects of any Information Security Incidents, and (v) to closely track and frequently (at least on a daily basis, or more frequently as required by SPE) provide detailed reports and documentation to SPE regarding such Information Security Incidents, and the resulting forensic and remediation efforts and outcomes of such efforts. Vendor will update its IRP at least annually and provide a copy of such IRP to SPE upon request.

D. Device and Media Controls – Vendor will ensure that all media containing SPE Data sent outside its facilities is encrypted, logged, authorized by management, and sent via secured courier or other delivery method that can be tracked. Vendor will encrypt all back-up/archive media containing SPE Data, and restrict access to all off-site backup/archive media to appropriate authorized personnel. Vendor will encrypt any devices including, without limitation, laptops and mobile devices containing SPE Data that may be taken outside its facilities.

1. System, Storage and Transmission Security – Vendor will implement and maintain physical and technical controls:
2. designed to guard against unauthorized access to or disruption of Vendor Systems, SPE Systems, and (SPE Data including, without limitation, when SPE Data is transmitted over an electronic communications network),
3. designed to ensure that no SPE Data is physically co-mingled with any of Vendor’s (or any third party’s) other data, or virtually co-mingled with other data where such SPE Data shares the same media, device or system, unless the data is logically separated, or compensating controls, approved by SPE, are implemented, and

(iii) Vendor will:

(a) implement firewall protection, router configuration rules and standards designed to maintain the integrity of SPE Data and that restrict connections between untrusted networks and any system components in the environment,

(b) establish up-to-date application security firewalls to ensure protection of Layer 7 and other application platform oriented threats and regular testing of such firewalls to ensure the effectiveness of application oriented threat mitigation by application layer firewalls, and

(c) implement encryption with respect to all records and files containing SPE Data either at rest or in transit including, without limitation, all SPE Data to be transmitted across public networks or wirelessly, and all SPE Data stored on laptops, servers or removable media.

With respect to (c) above, Vendor will use standard encryption algorithms that meet the following criteria: (X) de facto cryptographic standard protocols (e.g., SSL, TLS, SSHv2, SFTP, IPSec, PGP, S/MIME, etc.), (Y) proven, standard algorithms as the basis for encryption technologies (e.g., AES, 3DES, RSA, etc.), and (Z) the length of the cryptographic key will meet the following guidelines: (1) symmetric cryptosystem key lengths must be at least 128 bits or 3DES strength, and (2) asymmetric cryptosystem keys must be of a length equivalent to or more than the strength of 2048 bits for the RSA algorithm.

1. System Testing and Maintenance – Vendor will test and maintain Vendor Systems to protect SPE Data including, without limitation: (i) installing of Critical Security Patches for operating systems and applications within thirty (30) days of publication, and within three (3) months for other types of patches and updates, (ii) installing the latest recommended versions of operating systems, software and firmware for all system components, and (iii) ensuring that up-to-date system security agent software which includes malware protection set to receive automatically updated (at least daily) patches and virus definitions are used.

G. Data Retention – policies and procedures to ensure that retention of SPE Data (including but not limited to Confidential Information and Personal Information) including backup copies adheres to a defined retention policy and to any litigation hold or retention instructions provided by SPE to Vendor.

H. Secure Disposal – Vendor will ensure the secure disposal of SPE Data in accordance with applicable law (including, if applicable, the PCI Standards), taking into account available technology so that SPE Data cannot be read or reconstructed.

I. Security Awareness and Training; Discipline – Vendor will establish and maintain an ongoing security awareness and training program for all Vendor personnel (including management, employees, contractors, subcontractors and other agents), which includes training on how to implement and comply with its Information Security Program and setting forth disciplinary measures for violation of the Information Security Program.

J. INTENTIONALLY OMITTED

K. Contingency Planning – Vendor will implement and maintain contingency plans to address an emergency or other occurrence (for example, fire, vandalism, system failure, and natural disaster) that damages or destroys Vendor Systems or SPE Data, including a data backup plan, a disaster recovery plan, with, at least, annual testing of such plans and continuous improvement of such plans.

L. Audit Logging – Vendor will implement and maintain hardware, software, and/or procedural mechanisms that record and examine activity in Vendor Systems that contain or use electronic information, including appropriate logs and reports concerning the security requirements set forth in this SPE DP & Info Sec Rider and compliance therewith.

M. Data Integrity – Vendor will ensure the integrity of SPE Data and protect it from improper alteration, corruption, or destruction, including but not limited to the use of up-to-date system security agent software which includes malware protection set to receive automatically updated (at least daily) patches and virus definitions.

N. Public Clouds – Vendor will not utilize “public cloud” computing services as part of any hosted solution or service or otherwise connect SPE Systems to, or allow SPE Data to be collected, transmitted, processed or stored on a “public cloud” service without first obtaining written consent from the SPE Security Official identified below.

O. INTENTIONALLY OMITTED

1. INTENTIONALLY OMITTED

V. Notification of Information Security Incident; Remedial Action.

1. Notification - Vendor will notify SPE of any Information Security Incident within one (1) hour of Vendor’s knowledge or suspicion thereof via telephone and electronic mail to the SPE Security Official identified below. In addition, within forty-eight (48) hours of the Information Security Incident, Vendor will provide a written report via email to such SPE Security Official describing in sufficient detail the Information Security Incident and Vendor’s response and corrective actions. As directed by SPE, Vendor will use commercially reasonable efforts to integrate automated Information Security Incident alert capabilities into SPE’s Global Security Information and Event Monitoring (SIEM) system. Vendor will provide SPE with a daily Information Security Incident status update and a final written report once the Information Security Incident has been resolved. Vendor will cooperate fully in SPE’s investigation of the Information Security Incident and indemnify SPE for any and all damages, losses, fees or costs (whether direct, indirect, special or consequential) incurred as a result of such incident, and remedy any harm or potential harm caused by such incident. Vendor will provide SPE all on-going information related to the Information Security Incident requested by SPE, including, but not limited to, raw logs for forensic investigations. If SPE conducting an investigation of the Information Security Incident is not commercially practicable, Vendor will engage, at its sole cost, a mutually agreeable third party to conduct the investigation.

SPE Security Official:

Name: Michael Melo

Phone: (310) 244-3819

Email: infosec@spe.sony.com

1. Remedial Action - If an Information Security Incident gives rise to a need, in SPE’s sole judgment, to provide (i) notification to public authorities, individuals, or other persons, or (ii) undertake other remedial measures (including, without limitation, notice, credit monitoring services or the establishment of a call center to respond to inquiries (each of the foregoing, a “Remedial Action”)), at SPE’s request, Vendor will, at Vendor’s cost, undertake such Remedial Action(s). The timing, content and manner of effectuating any notices will be determined by SPE in its sole discretion.

VI. INTENTIONALLY OMITTED

VII. Right to Audit.

SPE, or its designee, will have the right at any reasonable time to enter any premises associated with Vendor’s performance of its obligations under the Agreement in whole or in part), for the purpose of inspecting, auditing, and determining whether the Information Security Program is consistent with terms herein, and whether the Information Security Program has been adequately implemented to ensure the security of SPE Data. During any such audit or inspection, Vendor will (and will cause its affiliates and its and their agents, contractors and subcontractors to): (i) permit SPE or its designee to observe the operations of Vendor (and its affiliates, and its and their agents, contractors and subcontractors) and to interview their respective relevant personnel associated with Vendor’s performance of its obligations under the Agreement, and (ii) give SPE, or its designee, access to all records, in whatever form maintained, relating to Vendor’s performance of its obligations under the Agreement, and access to all Vendor Systems used by Vendor (its affiliates, or its or their agents, contractors or subcontractors) in performing Vendor’s obligations under the Agreement, as reasonably necessary. Such records will include, without limitation, the results of tests and audits conducted in accordance with this SPE DP & Info Sec Rider. If Vendor’s Information Security Program is not in compliance with the terms herein or otherwise has a deficiency that SPE categorizes as “Medium”, “High”, or “Critical”, SPE will notify Vendor, and Vendor will promptly correct, in consultation with SPE, to SPE’s satisfaction, any such deficiency. If Vendor fails to correct such deficiency within ten (10) business days, SPE will have the right to terminate the Agreement immediately upon written notice to Vendor and without liability. Deficiencies identified by SPE and categorized by it below the level of “Medium” will be corrected by the Vendor, in consultation with SPE, within a reasonable time.

VIII. INTENTIONALLY OMITTED

IX. Term; Survival.

The provisions of this SPE DP & Info Sec Rider will become effective as of the Effective Date and will continue in full force and effect until (i) Vendor returns any and all SPE Data to SPE, or (ii) Vendor complies with the provisions of Section II(B) hereof as such provisions relate to the destruction of SPE Data. Notwithstanding the foregoing, the provisions of Section II and this Section IX of this SPE DP & Info Sec Rider will survive the expiration or termination of the Agreement.