

PASSION RIVER TERMS OF SERVICE
For Digital, Cable, Broadcast, and Non-Theatrical Distribution
Version: 2022-2
Dated: April 25, 2022

In consideration for the mutual promises herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree to the following Terms and Conditions (collectively, “Terms of Service”):

1. Engagement: Producer is the exclusive owner of the Property, as set forth in the Content Distribution Agreement (“Property”). Producer wishes to license, distribute, and exploit the Property through “Electronic Delivery,” “Broadcast/Cable,” “Non-theatrical” and/or “Home Video.” Producer therefore wishes to engage the services of Distributor as its representative in connection with any such “Digital Sales,” “Broadcast/Cable” licensing agreements for “Internet Transmissions” and/or other electronic delivery and broadcast arrangements, “Non-Theatrical” licenses and sales, and/or “Home Video.” Distributor’s representation rights are exclusive, except as explicitly stated otherwise in the Content Distribution Agreement. “Home Video” rights are licensed on a consignment basis.

2. Definitions:

“Agreement” means the Content Distribution Agreement between Distributor and Producer; said Agreement incorporates the Terms of Service herein (collectively, “Agreement”).

“Broadcast/Cable” means both “Linear” and “OTT” (Over the Top), which includes Free TV Rights and Pay TV Rights (Terrestrial, Cable, & Satellite). Also defined as communication to the public of a Property by means of wire, cable, wireless diffusion or radio waves, terrestrially or by satellite, that allows the Property to be viewed on a television or device. Broadcast means the same as telecast or diffusion.

“Client” shall mean any buyer, licensor, platform, app, service or other entity engaged in the licensing and exploitation of content with the Distributor (e.g., Netflix, iTunes and YouTube are all clients of Distributor).

“Consignment” or “Consignment Basis” shall mean the manner of sales and revenue of Home Video, specifically that Distributor agrees to market and promote Property to the Home Video marketplace, but shall only owe revenues to Producer for units actually sold.

“Digital Sales” shall mean any Electronic Delivery licensing agreement or sale for the Property.

“Digital Service” shall mean any digital and/or analog broadcast, cable service, streaming platform, channel or network, or entity otherwise disseminating Property in a non-physical manner.

“Distributor” shall mean the entity responsible for making its best efforts to market, promote and generate revenues from the exploitation of the Property. Distributor may act as a sales agent, representative, aggregator and/or consignment seller of Property as needed.

“Electronic Delivery” means all electronic and digital processes through which the Property can be delivered to devices such as television, computer, hand-held and mobile, and any other device for viewing, including but not limited to digital download, DVD burn-on-demand, video-on-demand (VOD), and streaming for such venues including, but not limited to, homes, schools, libraries, hotels, airlines and cruise ships.

“Home Video” means physical goods, specifically DVD and/or Blu-Ray, however created (e.g., replication, duplication, Manufacture on Demand, or any other methodology in existence or devised in the future).

“Internet Transmission” shall mean the transmission of data via Internet Protocol, including without limitation through use of client software contained on a Blu-Ray disc or other optical media.

“Non-theatrical” shall mean Non-Theatrical, Educational, and or Public Performance licensing of both digital (Electronic Delivery, Download & Streaming) and finished packaged DVDs of the Property to schools, colleges, universities, public & academic libraries, community groups, museums, churches, airlines, cruise ships & any other organizations or companies interested. Non-theatrical also includes speaking engagements for Producer or Producer’s designee directly contracted by Distributor.

“Site” shall mean the web address provided herein where Terms of Service as posted, and where modifications to same shall be posted as per Paragraph 26 herein.

3. Grant of Rights:

(a) Distributor shall have the exclusive right (unless otherwise explicitly stated in the Content Distribution Agreement) as the representative of Producer, to distribute, license, market and exploit, and to enter into an agreement with third party Clients including but not limited to, online retailers (e.g. Netflix, Hulu, iTunes, Google Play, Amazon Prime, YouTube, etc.), cable channels and broadcasters (e.g. HBO, PBS, Showtime, Starz, etc.), and/or other digital and cable/broadcast content distributors and retailers (collectively, “Digital Service(s)”), Non-Theatrical buyers and licensors and Home Video wholesalers and retailers to distribute, license, market and exploit the Property for digital sales, cable, broadcast, and/or other forms of digital exploitation and Home Video exploitation during the Term in any and all media, now known or hereafter developed. Distributor’s rights include both the Property in its entirety as well as in segments and clips, should digital platforms, broadcasters or non-theatrical licensees so desire.

(b) Distributor shall have the exclusive right (unless otherwise explicitly stated in the Content Distribution Agreement) to secure licenses for such Digital Services which include, but are not limited to, Digital Services that digitally transmit videos to consumers, including:

- (i) Retailers that offer audiovisual content to consumers via the Internet on a paid basis as a purchase, rental or subscription (e.g. iTunes, Netflix, etc.);
- (ii) Digital Services that offer audiovisual content to consumers via the Internet on a sponsor-or-advertisement-supported basis that is free to consumers (e.g. Tubi, YouTube, Xumo);
- (iii) Mobile phone carriers and applications that transmit audiovisual content to consumers via mobile networks (e.g. AT&T);
- (iv) Private cable/satellite “pay-per-view” or “on demand” services (e.g., Verizon FiOs, Comcast, AT&T, Dish Network, Spectrum, etc.); and
- (v) Linear broadcast, cable and streaming channels and platforms (e.g., HBO, CNN, AMC Network, PBS, etc.); and
- (vi) Aggregators and postproduction houses (e.g., Giant, FilmHub, Juice) that supply digital content to any of the foregoing Digital Services.

(c) Non-theatrical DVD: Distributor shall have the exclusive right (unless otherwise explicitly stated in the Content Distribution Agreement), as the representative of Producer, to distribute, license, market and exploit Non-Theatrical, Educational, and Public Performance Rights (“PPR”) for the Property on DVD, provided that Producer shall have the right to sell a limited number of DVDs of the Picture at any screenings where a member of the Picture crew is speaking. In conjunction with the foregoing, Distributor agrees to sell Producer copies of the DVD of the Picture at cost. Unless otherwise indicated, rights granted to schools, colleges, universities, public & academic libraries are perpetual. Distributor shall have the right to replicate DVDs as needed.

(d) Non-theatrical Electronic Delivery, Download & Streaming: Distributor shall have the same exclusive rights (unless otherwise explicitly stated in the Content Distribution Agreement) as above in Paragraph 3 (c), provided that industry standard DRM, password protection methods, and or geo-filtering is utilized. The rights granted to clients may have an expiration term based on time, file format, or other measurement.

(e) Home Video: Distributor shall have the exclusive right (unless otherwise explicitly stated in the Content Distribution Agreement), as the representative of Producer, to distribute, license, market and exploit Home Video sales on a consignment basis to wholesalers and retailers in the consumer, library and home video markets, under the formats and other terms specified in the Content Distribution Agreement:

- i. Manufacture On Demand (MOD): Units are manufactured by burning or otherwise copying content files onto a DVD-R or other acceptable recordable physical device or format (DVD-RW, BD-R, or other recordable physical device), and are only created when orders are received. Distributor will manufacture MOD copies of the Property according to the terms of the Content Distribution Agreement per each client order, either in-house or through third-party

licensed agreements, once Distributor has received the required deliverables listed in the Content Distribution Agreement. If needed, Distributor will provide optional services such as DVD authoring, wrap art creation, subtitling, etc. according to the terms of the Content Distribution Agreement.

ii. Duplication: Finished Goods units are manufactured by burning content files onto a DVD-R or other acceptable recordable physical device or format (DVD-RW, BD-R, or other recordable physical device), in small batches (from 100 to 300 units, generally). Producer shall provide finished goods to Distributor. Distributor will provide references and resources as needed.

iii. Replication: Finished Goods units are manufactured in bulk (500 units or more, generally) via mastered, molded stamping of new discs. Producer shall provide finished goods to Distributor. Distributor will provide references and resources as needed.

iv. Producer is responsible for the cost of shipping of finished goods inventory, employing shipping methods with tracking numbers, proof of delivery & signature confirmation. If Producer does not fulfill a Purchase Order from Distributor within 21 days of receipt, Distributor reserves the right to cancel outstanding orders for Property with its customers. For clarity, the use of the term "Purchase Order" with regards to orders from Distributor to Producer shall not be construed as a guarantee of sales of the units; again, finished goods are sold on a consignment basis, with revenues sent to Producer upon successful sale of the physical units. Distributor is not responsible for damaged product as a result of poor packaging, imperfections in materials, &/or shipping problems originating from Producer. Producer shall remain responsible for loss or destruction of the distributed materials during transit to Distributor's designated drop ship address. Upon its acceptance of goods In-House transported by Producer, Distributor shall remain solely responsible for Producer's direct cost of replacement of the goods attributable to such loss and/or destruction of said goods provided that the liability for any lost or stolen inventory shall not exceed \$1/Unit.

4. Territory: Defined in the Content Distribution Agreement

5. "Carve Out" (if any): concerning any digital, broadcast or non-theatrical license which has been or is in the process of being negotiated with such Digital Services as indicated in the Content Distribution Agreement attached hereto and incorporated by reference and has been entered into by Producer and such third-party Digital Service. Said Carve Outs(s) must be explicitly stated in the Content Distribution Agreement.

6. Term/Termination:

(a) The term ("Term") of this Agreement shall commence upon the date hereof and shall continue for five (5) years from the date of execution of the Content Distribution Agreement (unless otherwise explicitly stated in the Content Distribution Agreement), and renew automatically on a month-to-month basis unless either party provides written notice as provided herein of termination effective on the 30th day after notice.

(b) In the event that Distributor enters into negotiations with a third party but does not conclude such negotiations prior to the end of the Term, Distributor and Producer agree that Distributor shall have the right, but not the obligation, to conclude such negotiations and enter into an agreement and further that the Term of this Agreement shall be extended until such negotiations are concluded, as long as such negotiation conclude within thirty (30) days after the end of the Term. For the

avoidance of doubt, Producer acknowledges and agrees that any agreement with a third party may have a term that is greater than or extends beyond the term of this Agreement.

(c): Termination: Should either party terminate this Agreement at the conclusion of the initial Term, Distributor shall promptly (within five business days) notify third parties that have licensed the Property.

(i) Digital platforms such as Transactional VOD, Ad-Supported VOD and non-theatrical Digital Services will have 30 (thirty) days from the date of notice to take down the Property (unless their license or agreement has a defined term as noted in 6(b) above).

(ii) Home Video wholesalers and retailers will have 90 (ninety) days from the date of notice, as wholesalers and retailers with physical goods in inventory require a 90 (ninety) day “moratorium” period, during which time said buyers have the right to return any unsold units for full refund.

(iii) Upon termination, all distribution by Distributor will cease (except as noted in 6(b) above), and all rights shall revert to Producer. Distributor will continue to pay Producer all monies due in accordance with this Agreement.

(iv) Promptly upon expiration or earlier termination of this Agreement, Distributor shall return at Distributor’s cost and expense to Producer all materials which have been delivered by Producer to Distributor which have been paid for or owned by Producer, upon Producer’s request within thirty (30) days of termination. If Home Video inventory exists at the expiration or termination of this Agreement, Producer may opt to have units recycled at Distributor’s expense or shipped to Producer (or Producer’s designee) at Producer’s expense, provided Producer notify Distributor of its decision within thirty days of termination.

7. Marketing, Publicity, Name and Likeness, Etc.: Producer grants Distributor and others authorized to do so the right to use its name and the names, video footage, trailer, key-art, marketing materials, photographs, likenesses, biography and recorded voices of any individual appearing in the Property or rendering services in connection with the Property (other than those individuals whose names are explicitly stated in the Content Distribution Agreement) and made part hereof and for advertising, promotion and publicity in connection with the distribution, licensing, marketing and exploitation of the Property. Distributor shall have the right to market the Property and the right but not the obligation to advance marketing costs such as social media advertisements, traditional advertising, co-op advertising, etc. For Home Video, Distributor shall have the right to provide promotional, complimentary units to press, retailers, consumers, and other clients of Distributor not to exceed 60 units in aggregate. Distributor’s reasonable out-of-pocket marketing costs directly related to the Property will be recoupable from Gross Receipts as an expense, as further defined in Paragraph 9 below. Such costs shall be itemized in a detailed report and shall not exceed one thousand dollars (US \$1,000) for each window of exploitation licensed herein (i.e. digital, home video, non-theatrical) without Producer’s express written consent. Distributor shall also have the right to create and make available a digital copy of the Property for such purposes; provided that all copies shall be made available strictly for marketing purposes and all digital copies of the Property made available for such purpose shall be available for a limited time. Distributor shall use DRM control and have appropriate security and copy protection in place in accordance with industry standards.

8. Compensation:

- (a) Broadcast and Digital: In consideration of Distributor's efforts as set forth above, Distributor shall be entitled to receive a commission of Fifty Percent (50%) ("Commission"), unless otherwise explicitly stated in the Content Distribution Agreement, which along with expenses as stated in Paragraph 9 below from Gross Receipts as defined herein, before remittance to Producer of the balance of the remaining monies from any agreement in connection with the distribution, licensing or sale of the Property as set forth above ("Net Receipts"). "Gross Receipts", for purposes of this Agreement, means all monies actually received by Distributor from the distribution, license, sale or other exploitation of the Property under the terms stated herein.
- (b) Non-theatrical: In consideration of Distributor's efforts as set forth above, shall be entitled to receive a commission of Fifty Percent (50%) ("Commission"), unless otherwise explicitly stated in the Content Distribution Agreement, which along with expenses as stated in Paragraph 9 below from Gross Receipts as defined herein, before remittance to Producer of the balance of the remaining monies from any agreement in connection with the distribution, licensing or sale of the Property as set forth above ("Net Receipts"). "Gross Receipts", for purposes of this Agreement, means all monies actually received by Distributor from the distribution, license, sale or other exploitation of the Property under the terms stated herein. Non-theatrical sales include both licenses of the Property and speaking engagement fees, if any, directly contacted for by Distributor.
- (c) Home Video: In consideration of Distributor's efforts as set forth above, shall be entitled to receive a commission of Sixty Percent (60%) ("Commission"), unless otherwise explicitly stated in the Content Distribution Agreement, which along with expenses as stated in Paragraph 9 below from Gross Receipts as defined herein, before remittance to Producer of the balance of the remaining monies from any agreement in connection with the distribution, licensing or sale of the Property as set forth above ("Net Receipts"). "Gross Receipts", for purposes of this Agreement, means all monies actually received by Distributor from the distribution, license, sale or other exploitation of the Property under the terms stated herein.

9. Expenses: Distributor shall have the right to deduct all reasonable and necessary out-of-pocket expenses (with Producer pre-approval if each expense is more than One Thousand Dollars [\$1,000] or more than \$5,000 in the aggregate) directly related to the work described above (e.g., close captioning, encoding costs from an encoding service approved by Distributor or Digital Services, takedown fees assessed by digital platforms, marketing expenses, etc.). The schedule of applicable Fees is included in Appendix A of the Content Distribution Agreement. The schedule of applicable fees is subject to change, as changes to Distributor's costs of doing business (such as shipping, encoding, etc.) require. Producer shall not have the right to withdraw Producer's consent concerning entering into any digital license subsequent to giving such written consent. Distributor shall assume the up-front cost or fees which Distributor is required to pay any potential third party Digital

Service if such third party Digital Service shall not accept the Property, but shall have the right to deduct such costs from Gross Receipts.

10. Producer Obligations shall include:

- (a) Any/all third party payments (e.g. talent royalties, union fees, music sync rights, etc.);
- (b) The cost of delivery of the materials to Distributor, Digital Services, or any other third party; and
- (c) All rights necessary to distribute the Property, artwork, and metadata.

11. Accounting and Payment:

(a) Distributor shall provide Producer with accounting reports within sixty (60) days after the end of the quarter for the first four fiscal quarters in which the Property is available for electronic delivery by third parties. Subsequent to the first four fiscal quarters in which the Property is available for electronic delivery by third parties, Distributor reserves the right to switch to biannual accounting reports (i.e., once every six months), based on activity volume. Distributor shall generate accounting reports that include Gross Receipts itemized by each revenue source minus Distributor's Commission and any pre-approved expense if any in accordance with Paragraph 9. Distributor's accounting report shall include the total sum due Producer, and Distributor's payment to Producer of such sum. **For the purpose of transparency and management of expectations, Distributor is reliant on the reporting and remitting practices of the channels, platforms and licensors of the Property, whose performance in this regard varies greatly; payments falling into this category will be entered into accounting in the quarter they are received.**

(b) Distributor shall maintain proper accounting in accordance with the calculation and payment of Producer's Net Receipts under this Agreement. Producer shall have the right not more than once per calendar year during regular business hour no less than ten (10) business days written notice as of the date received by Distributor and within one (1) year of receipt of each accounting statement to examine and copy Distributor's records relating to the exploitation of the Property. Notwithstanding the foregoing, payment of any Revenue Share by Distributor to Producer may be withheld and shall roll over and accrue to the subsequent calendar quarter until such time that the payment due to Producer is at least five hundred dollars (\$500). Distributor will not be required to render Statements for any accounting period where there is no Revenue Share payable to Producer, except that (i) Producer shall receive at a minimum one Statement per calendar year, and (ii) no such minimum shall apply to any final payment to Producer upon termination or expiration of this Agreement. In addition, Producer shall have the right to audit the books and records referred to above, by an auditing firm chosen by the Producer. If the audit reveals an undisputed underpayment of the amounts owed to Producer, Distributor will correct the discrepancy and promptly pay to Producer any amounts owed to Producer as a result of such underpayment. If the audit reveals an underpayment of the amounts paid to Producer, Distributor will correct the discrepancy immediately. In the event of any undisputed

underpayment in reporting that is both greater than \$1,000 and in excess of 20% of the amount owed, Distributor shall also pay to Producer the reasonable third-party audit fees incurred by Producer in conducting the audit, not to exceed \$500 (five hundred US dollars). If Distributor does not timely provide reports, or does not timely send all payments due, Producer shall have the right to terminate this Agreement with all rights reverting effective immediately upon receipt by Distributor of the Termination Notice, provided Distributor shall have the right to cure any missing reports and payment within 10 days following written Notice of Default from Producer thereof.

(c) Producer acknowledges that Distributor is only obligated to remit to Producer under this Agreement from the revenue that Distributor actually receives from Distributor's licensees and customers with respect to the Property under the applicable Distributor's or customers' then-current revenue sharing policies, and that Distributor is not assuming any risk of non-payment, or delayed payment, by any Digital Services which has entered into a license with Distributor in connection with the Property. Further, in accounting to Producer, Distributor shall have the absolute right to rely upon the statements it receives from any Digital Services which has entered into a license with Distributor in connection with the Property and Distributor shall not be liable in any manner for any error, omission or other inaccuracy of any such statement received by Distributor.

(d) For Home Video, all orders are subject to partial payment hold-backs (20% average). Monies held back are reviewed twice a year to determine the risk for returns. Generally speaking, DVD Manufacture on Demand units are not returned. After accounting for potential returns and overstock, hold-back payments will be paid to Producer no later than twelve months after the sale. Producer agrees to accept any and all returns by Distributor through third party buyers for a full refund at the purchase price. Distributor reserves the right to recycle returns, as well as physical goods inventory deemed by Distributor to be overstock, though Producer shall be granted the option of having returned and/or overstock units shipped back to Producer (or Producer's designee) at Producer's expense. Damaged products are recycled as screeners. Refunds will either be deducted from open invoices or billed to Producer.

12. Pricing and Revenue Sharing: Producer acknowledges that the Digital Services have the right to set, and from time to time change, the retail price of the Property, and the revenue sharing policies, and that neither Distributor nor Producer will have any control over such retail pricing or Retailer revenue sharing policies. Producer further acknowledges that a Digital Service's pricing, such Digital Services' revenue sharing policies, Retailer promotional efforts and consumer preferences will determine the amount of revenue, if any, received by Distributor for payment to Producer pursuant to this Agreement, and that Distributor does not guarantee any particular level of revenue to Producer.

13. Renewal Rights: If Distributor completes a license, sale or other agreement of the Property hereunder, Distributor shall have the exclusive right to represent Producer in any continuous renewal (i.e., one in which a year has not elapsed between operation of such agreement) of such license, sale or other agreement and Distributor shall be entitled to the same Commission as set forth in Paragraph 8 above, notwithstanding the expiration of the Term hereof.

14. Delivery Materials: Upon Distributor's request, Producer is responsible for providing and delivering to Distributor and/or its designees, all items, materials, masters, source materials, advertising and promotional materials, and any other materials necessary for the distribution of the Property as stated in Schedule C attached hereto and incorporated by reference. If Producer fails to complete delivery within a reasonable time set forth, Distributor will have the right, but not the obligation to terminate this Agreement.

15. Quality Control: Distributor or Digital Service shall evaluate all materials (including, but not limited to, any encoding services provided by a third party) submitted by Producer for distribution hereunder to determine if they meet the delivery requirements set forth herein or in any agreement entered into by Distributor and a Digital Service. The cost of quality control test(s) shall be paid by Producer, as elucidated in Appendix A of the Content Distribution Agreement. If in Distributor or a Digital Service's reasonable judgment any of such materials so submitted are technically unsatisfactory or incomplete, Distributor or Digital Service shall give Producer notice specifying the reasons that such materials fails to meet such requirements. Until Producer has corrected such failures at its sole cost and expense as set forth below, such unaccepted materials shall not be deemed to have been delivered hereunder for the purposes of that third party license or any other agreement which deems the delivery of such materials as unacceptable or incomplete.

16. Additional Documents: Upon Distributor's request, Producer shall deliver to Distributor the copyright certificate of the Property, music cue sheets, and all contracts and agreements with performers and any other person or entity that has rendered or is rendering services in connection with the Property. Should Producer fail to sufficiently provide music cue sheets, Distributor reserves the right but not the obligation to create said reports and recoup the costs of creating them from revenues. Distributor's failure or refusal to make such a request shall not be deemed a waiver of any rights Distributor may have in connection with this Agreement, including without limitation, any representation and/or warranty made by Producer in this Agreement.

17. No Guarantee of Service Posting: Distributor's submission of the Property to any third party Clients (including, but not limited to, potential licensees, aggregators, apps, wholesalers and retailers) does not ensure that the Property will be accepted, listed, displayed, promoted or offered for sale, license or rental by such potential Client. Distributor does not and cannot guarantee that Property will be pitched to every Client. Each potential Client makes the ultimate decision about which Property, if any, will be accepted for listing, display, promotion, sale, license or rental by the Client.

18. Limitations of Liability: IN NO EVENT SHALL DISTRIBUTOR BE LIABLE TO PRODUCER UNDER THIS AGREEMENT FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL OR SPECIAL DAMAGES, INCLUDING ANY LOST PROFITS OR BUSINESS INTERRUPTION, EVEN IF DISTRIBUTOR IS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IN THE EVENT THAT DISTRIBUTOR IS FOUND LIABLE FOR ANY BREACH OF THIS AGREEMENT, PRODUCER'S DAMAGES SHALL BE LIMITED TO THE FEES PAID TO DISTRIBUTOR UNDER THIS AGREEMENT.

19. Representations and Warranties:

(a) Producer represents and warrants:

(i) that it has the right to enter into this Agreement, to grant the rights herein granted, to fully perform its obligations hereunder and that it has not taken and will not take or authorize any action by which any of the rights granted herein have been or may be in any way impaired;

(ii) that it owns and/or controls the exclusive rights to authorize the exhibition, distribution, advertising, publicizing, promotion and other exploitation of the Property hereunder in the manner and form contemplated by this Agreement. Without limiting the generality of the foregoing, Producer has obtained, or will obtain, all of the necessary rights, permissions and licenses required to grant the rights granted herein and to enable Distributor to fully exploit the Property hereunder, including without limitation the right to use performers' names, images, likenesses and biographies to advertise, publicize, and promote such Property and other than as set forth on Schedule D.

(iii) that no part of the Property, nor the distribution, use and exploitation of the Property and all elements thereof, shall infringe any copyrights, rights of privacy, trademarks or any other rights of any third party or constitute a libel or slander;

(iv) subject to standard and customary guild and union liens in which Producer has paid or will timely pay all amounts that have been or may become payable in connection with the Property hereunder or the exercise of any and all rights granted herein there are no pending, liens, charges or encumbrances on the Property herein or any portion thereof or on the exercise of such rights which shall derogate, impair, infringe or interfere with the rights, licenses and privileges granted herein and hereunder, nor shall there be any in the future;

(v) that it has provided reporting and payments, or will be responsible for making all reporting and payments in a timely manner that may become due to any union or guild and to any person or persons who rendered services in or in connection with the production of the Property by virtue of the use made of the Property hereunder, including without limitation, all residual, reuse, rerun, pension and health and welfare fund, and payroll tax payments; and

(vi) that it shall, at its own expense, take or cause to be taken all steps necessary and/or desirable to secure and maintain U.S. copyright protection for the Property hereunder; and

(b) Distributor shall not be responsible for errors and omissions ("E and O") insurance. Producer agrees to use good faith efforts to secure and maintain, at its own expense E and O insurance for the Picture on terms approved by Distributor, until three (3) years from Distributor's First Commercial Release of the Picture in the Territory. Coverage should have amounts not less than \$1,000,000/\$3,000,000; having a deductible not exceeding \$10,000, and not contain any non-standard endorsements, exclusions or restrictions in the coverage. Upon request by Distributor, Producer will promptly cause additional parties who have been

licensed rights in the Picture by Distributor to be added as Additional Insured to the policy and provide Distributor with a related certificate. Notwithstanding the foregoing, if a digital or broadcast licensee shall require E and O insurance, and Producer cannot provide the necessary insurance policy, Distributor shall have the right but not the obligation to obtain and/or assume the cost of coverage and such cost shall be deemed a recoupable expense under this Agreement.

(c) Distributor represents and warrants:

(i) That it has the right to enter into this Agreement, to fully perform its obligations hereunder and that it has not taken and will not take or authorize any action by which any of the rights granted herein have been or may be in any way impaired;

(ii) That it shall cause all trade ads and other marketing material of the Property to identify Producer as the Producer of the Property; and

(iii) That Producer is the sole and exclusive owner of the Property and all copyrights in and to such Property and all trademarks in and to its trade and service marks, and that Distributor will not make any claim to Producer's rights.

(d) The representations and warranties contained throughout this Agreement shall survive the termination of this Agreement.

20. Attorney's Fees and Indemnification: In the event of any dispute arising from any of the agreements, representations, obligations or warranties under this Agreement, the prevailing party will be entitled to its reasonable legal costs and expenses which result from any such "first party" dispute. Each party hereby also indemnifies the other against any "third party" claims, costs, liabilities and damages, including reasonable outside legal costs and expenses which result from any breach of the indemnifying party's agreements, representations, obligations or warranties under this Agreement.

21. Notices: All notices, which either party hereto is required or desires to give the other party hereunder, shall be in writing and shall be given either by personal delivery (which shall include means of private overnight delivery services), telecopy, email, or other electronic means with a verified transmission receipt or by registered or certified mail (postage prepaid) to the addresses provided above, or such other addresses as may be designated in writing by either party.

22. Entire Agreement: This Agreement contains the entire agreement of the parties and supersedes any prior written or oral agreements between the parties.

23. Confidentiality: The terms of this agreement and any client information or sales reports provided are confidential. Confidential information shall include all oral, written or recorded confidential and or proprietary information about or related to the disclosing party or its business, including without limitation to the terms and conditions of this agreement and Distributor's

agreement and documents with proprietary information for its existing and prospective clients. This section shall survive expiration or earlier termination of this Agreement.

24. Amendment: The Content Distribution Agreement may not be modified or amended except by a written amendment signed by both parties. Distributor reserves the sole right at any time to modify the Terms of Service without notice, as digital and other Services periodically change their terms and conditions in agreements with Distributor. All modified terms and/or conditions will be in effect after they are posted on the Site (unless applicable law requires a longer notice period). Producer may not alter the terms and conditions of the Terms of Service without Distributor's express written consent.

25. Severability: If any provision of this Agreement shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court or arbitrator finds that any provision of this Agreement is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

26. Waiver of Contractual Right: The failure of either party to enforce any provision of this Agreement shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Agreement.

27. Applicable Law: This Agreement shall be governed by the laws of the State of New Jersey as if the services described herein were performed entirely in the State of New Jersey.

28. Dispute Resolution: In the event of a dispute between the parties to this Agreement, we agree to submit such dispute to binding arbitration before a single arbitrator and under the auspices and rules of the American Arbitration Association in New Jersey. The award of the arbitrator may be entered in any court of competent jurisdiction for enforcement.

29. Assignment; Subcontractors: Distributor shall have the right but not the obligation to assign this Agreement to any financially responsible party assuming in writing all of Distributor's obligations, but Distributor shall remain secondarily liable for all of its obligations to Producer hereunder. Producer may not assign this agreement to any party without prior written approval from Distributor. Distributor may subcontract its obligations to provide any of its services to third parties, such as foreign sales agents, but shall remain responsible for the performance of such obligation in accordance with the terms and conditions of this Agreement.

30. Equitable Relief: Producer agrees that in the event of a breach or threatened breach by Producer, Distributor shall be entitled to seek injunctive or equitable relief, and Distributor shall be entitled to such other remedies as may be available at law, including damages. No breach of Distributor's obligations under this Agreement shall entitle Producer to equitable remedies. In the event of such a breach, Producer's rights shall be limited to the right, if any, to obtain damages in an action at law, subject to the terms of this Agreement.

31. Bankruptcy/Termination. If during the Term Distributor ceases its operations, becomes insolvent, files for or otherwise enters into bankruptcy proceedings, including if Distributor is unable to pay its debts as they fall due or makes any assignment for the benefit of creditors or if any action or proceeding under bankruptcy or insolvency law is taken by or against Distributor or if Distributor effects a voluntary or compulsory liquidation of assets (other than for the purposes of solvent reconstruction or amalgamation), all rights shall revert back to Producer immediately.

32. Counterparts; Execution of Agreement: The parties indicate their agreement to the terms of this letter by signing in the space provided below. The parties acknowledge and agree that this Agreement may be signed in counterparts, which when taken together, shall be binding on the parties as one fully executed document and the Agreement may be signed by hand, facsimile, electronically or optical scanner (e.g., pdf) and such signatures shall be valid and binding as a fully executed original upon the parties.

SCHEDULE A

Delivery Schedule

Current (as of April 2022) complete list of Video, Caption, Art and Metadata requirements and details below. Requirements and details are subject to change; for the most up-to-date and complete list of Video, Caption, Art and Metadata requirements and details, [please click HERE](#).

1. Producer Obligations. Producer agrees to provide the following:

1.1 Poster Art. Producer shall provide poster art with a 2:3 Aspect Ratio with a minimum size of 1400x2100 pixels. Poster Art may not be DVD cover art and must not reference release dates, websites, or promotional tagging.

1.2 Metadata. Producer shall provide all metadata listed in the included spreadsheet template (**Schedule C below**), which Distributor may update from time to time, by electronically submitting such populated template to Distributor, or method otherwise agreed to by the parties. Producer acknowledges that all metadata will be correct, and that if incorrect metadata is submitted to Distributor on a regular basis (more than 3 times), Distributor may terminate relationship with Producer.

1.3 Trailer. Producer should provide a trailer for the Film, which must have an aspect ratio matching the Film. If Producer does not provide a suitable trailer, Distributor will pull a clip of the first two minutes after the last beginning credit and create a basic, limited trailer. However, Distributor strongly suggests that Producers provide their own trailers to ensure each Producer's Film is represented as they intended. Trailer must be suitable for general audiences, aka "Green Band." "Red Band" trailers will be rejected.

1.4 Chapter Information. For any film longer than 44 minutes, Producer should provide chapter titles and times, in a spreadsheet format, along with associated with chapter images. If Producer does not provide suitable chapter information, Distributor will create "generic" chapters by titling them "Chapter One," etc., and pairing such chapter titles with a compelling image from the portion of the film relating to the specific chapter named.

1.5 Film Master. Producer shall provide video masters for the Film and any associated trailer.

1.5.1. Source Format. The following formats are accepted (listed in Distributor's descending order of preference; for most up-to-date file format requirements and details, [please click HERE](#)):

Feature/Trailer File Apple Uncompressed Apple ProRes 422 (HQ)
Feature/Trailer Tape Digital Betacam Betacam SP HDCAM HDCAM-SR

D5 Textless versions of source are strongly preferred and for multiple territory sales may be required.

1.5.2. Source Quality. Producer will provide, to the best of their ability, such video masters with (i) consistent frame rate, (ii) consistent aspect ratio, and (iii) minimal interlacing or macroblocking. Multiple or frequent mixed frame rates, inconsistent aspect ratio, considerable interlacing or macroblocking, or improperly mastered, processed or converted files may lead to delay or rejection.

1.5.3 HD Source. Producer will provide 1920p x 1080p resolution for HD sales.

1.5.4. General Source Parameters. Producer will refrain from providing to Distributor any content that:

- (i) is pornographic
- (ii) is a “home-video”
- (iii) if for specific territories, any content that does not adhere to territory specific provisions.

1.6 Bonus Content. If required and requested by a Designated Digital Service, Producer shall provide Distributor any Bonus Content associated with any Producer content (“Content”) for which Distributor performs the Standard Services, that has been made available for distribution for any EST Provider. Such Bonus Content shall be provided to Distributor no later than is necessary to ensure that the Designated Digital Services to which Distributor has submitted Producer Content will be able to make available for EST such Bonus Content at the same time as any EST Provider. If Bonus Content is not made available, Distributor may be obligated by a Digital Service to remove Producer Content from that Digital Service.

1.7 Closed Captioning. If applicable, Producer will provide to Distributor closed captioning. Closed captioning shall be delivered to Distributor as .cap or .scc files, unless otherwise agreed to by the parties. Closed captioning is currently mandatory for all new release films displayed on iTunes North America. Closed captioning shall also be mandatory for all live or near-live content that shall be delivered for display in iTunes North American stores after March 30th, 2013. **More info in Schedule B – Video and Caption Specifications below.**

1.8 Subtitles or Dubbing. If Producer wishes to deliver in certain territories in certain stores, Producer will deliver appropriate subtitle files or dubbing. Subtitle files will be delivered as .srt or .stl **More info in Schedule B – Video and Caption Specifications below.**

1.9 External Audio. If Producer would like HD content to be listed at HD prices, Producer will provide 5.1 Audio. If Producer provides 5.1 as an external file, they will provide it as a .wav file.

1.10 Content Commitment. Producer agrees that if any Content has been made available anywhere in the Territory in HD it will be made available to Distributor in HD; additionally, Producer agrees that all Content made available in HD may be made available in SD by Distributor to Designated Digital Services. Distributor may be obligated to remove Producer Content from Designated Digital Services if such requirements are not met. Distributor does not control the asset requirements of Designated Digital Services and shall be held blameless regarding the acceptance or rejection of Designated Digital Services based on technical requirements.

1.11 Cloud Availability. Producer agrees that if required and requested by Digital Service, Producer will allow Digital Service to make Producer Content available in Cloud Format according to the rules and definition of each Digital Service. Specifically, according to the rules and regulations of iTunes, "Cloud Format" grants iTunes the right to allow an end user to access and download a retrievable file an unlimited number of times through the iTunes Online store to a device associated with that end user's iTunes account.

1.12 Music Cue Sheets. Required for all films submitted to Distributor.

1.13 Certificate of Copyright. If necessary, Producer will provide Distributor with appropriate Certificates of Copyright, Censor Certificates, or other required ratings and documents.

1.14 Additional Assets and Documents. Producer will provide to Distributor any additional assets or documents required for Content to be listed, displayed, or offered for sale, license or rental through any Designated Digital Service according to the Terms of this Agreement.

1.15 Certain platforms to which Distributor may distribute on behalf of Producer, may require that Producer make available SVOD or AVOD rights. By engaging Distributor to distribute to SVOD/ AVOD-enabled Digital Services by placing an Order for these Designated Digital Services, Producer represents that Producer has the full authority to grant necessary SVOD/AVOD rights to Distributor for the territories in which Producer chooses Content to be displayed.

1.16 DVD Manufacture on Demand delivery requirements:
Verified DVD-R disc (Master copy)
Digital ISO File in Region 1 or 0 (Max size 4gb)
DVD Package Artwork - includes the outside wrap and disc face design files.
(Templates/instructions will be provided as needed)
UPC Barcode
Copyright
Format Specs. & Metadata

SCHEDULE B

Passion River Films Video and Caption Specifications

2021

Accepted Media File Format

- Container: MOV
- Video CODEC: Apple ProRes 422 HQ for HD content
- Video CODEC: Apple ProRes 4444 for UHD content
- Audio CODEC: PCM

Video Details

- Source files must not contain bars and tone, test patterns, production slates, countdowns, or any other non-program content.
- Must have a progressive scan type.
- The file header must accurately describe the display aspect ratio of the content. Anamorphic sources must include accurate 4:3 or 16:9 display aspect ratio flags.
- All web URLs and Email Addresses must be removed from both the Trailer and the Feature
- References to any particular product (e.g. available on DVD, Look for it on iTunes etc), or calls to action (e.g. Visit us at www.example.com) must be removed.
- Both Trailer and Feature must include 1 second of black and silence at the head and tail.
- The Trailer and Feature must share the same aspect ratio, resolution, and framerate.
- The Passion River Films logo must be included at the head and tail of the feature. High resolution artwork of our logo can be found here:
https://drive.google.com/drive/folders/163Y2clXdV4_4ZKqEdYspVeNnkzu2sK3z?usp=sharing
- The expected order of the film's elements are:
 - 1 Second black
 - Passion River Films logo
 - Film
 - Passion River Films logo
 - 1 Second black
- For titles with mixed English/Non-English or complete Non-English dialogue, we require two edits of the film.
 - One edit that's completely devoid of all burned-in/hard subtitles
 - One edit that contains the Non-English dialogue burned into the file.

Frame Size

- 1920x1080 or 3840 x 2160. **NOTE:** If delivering 4K/UHD content, a standard HD version must also be provided.
- Any content not currently in a 16:9 aspect ratio must be padded out with black to a 16:9 ratio.

Frame rates

All supplied video masters must be provided in their native frame rate. Frame rates of 23.976, 24, 25, 29.97, and 59.94 are accepted.

Audio Details

- Audio Bitrate/Resolution: Lossless, Sample Rate: 48 kHz, 24bit
- All audio tracks must be in the same language.
- The soundtrack must only contain program audio. Remove music and effects, silent tracks, MOS, commentary, and any other non-program audio prior to submitting the file.
- Audio duration and video duration must match.
- All embedded audio must be supplied in one of these configurations:
 - 2.0 Stereo: LR (dual mono is unacceptable)
 - 5.1 Surround Sound + Stereo: L,R,C,LFE,LS,RS,LT,RT
- All audio must be married to the feature file, with each audio channel mapped to its own individual stream.

Captions/Subtitles

Closed captions are required for all Passion River Films distributed titles. In addition, if your film has mixed English/non-english or complete non-english dialog, we require separate subtitles.

The following three pages, referenced from 3Play Media, (*LOFTUS Captions vs. Subtitles: What's the difference between the two?*), explain the difference between the two.

If you do not have Captions and or Subtitles, Passion River Films can create them for you at a rate of \$4 per running minute.

**** Note** Passion River Films does not specifically endorse or represent any caption creation company or service.**

Captions vs. Subtitles: Do You Know the Difference?

March 6, 2018 BY PATRICK LOFTUS

Updated: June 3, 2019

When referring to words that appear on the screen of a video, many people tend to use the terms "Captions" and "Subtitles" interchangeably.

But, contrary to popular belief, they are not synonymous. They are, in fact, very different from each other in definition and purpose.

Captions are designed for viewers who cannot hear the audio in the video. Subtitles are designed for viewers who can hear but do not understand the language in the video.



Captions

Assume the viewer cannot hear



Subtitles

Assume the viewer doesn't understand the language

What are captions?



In the early 1970's, captions were introduced to accommodate deaf and hard of hearing viewers watching TV. In the 1980's, they became a mandate for broadcast television in the US.

The first captions could not be turned off (**open captions**) and were part of the video itself. Soon after, closed captions were developed, allowing viewers to turn the caption feature on and off. Today, both closed and open captioning are widely available in many forms across movie theaters, cable networks, devices, live streaming services, and most internet video players like YouTube, Vimeo, and Brightcove.

Captions, both open and closed, are different from subtitles in that they are designed to ensure the viewer can understand all of the essential audio in the video – not just the spoken audio. **Non-speech sounds** that are necessary to the understanding of the video are also a critical element of proper captioning and are normally shown in brackets (as in the above example of the puppy attempting to bark angrily).

In the United States, and in **many other parts of the world**, federal laws **require captioning** for video content across a number of industries.

What are subtitles?



Subtitles have been around since the 1930's when silent film transitioned into film with spoken audio.

To accommodate foreign audiences who did not understand the language used in the film, this required text on screen that translated the spoken audio.

The above screenshot shows an example of Spanish subtitles from the movie *Homeward Bound*. In the film's audio, Chance (voiced in English by Michael J. Fox) is saying, "Okay. Cats rule and dogs drool."

The main purpose of subtitling is to translate spoken audio into the viewer's language. In most cases, subtitles are not an appropriate accommodation for deaf and hard of hearing viewers because they do not include non-speech sounds that provide an equivalent viewing experience for people who cannot hear.

Caption Details

We accept only SCC (Scenarist Closed Caption) files, adhering to the following hard guidelines.

- The synchronization must match the complete film, including the Passion River Films logos.
- Must include film atmospherics. E.g. sound effects and music.
- Line length must not be longer than 32 characters.
- Cannot exceed 4 lines per caption.
- Must be mixed-sentence case - not all caps.
- Cannot exceed 450 words per minute.

- The minimum duration of a caption cannot be less than 13 frames.
- The maximum duration of a caption cannot exceed 11 seconds.
- Must be properly placed e.g. not obscuring ANY lower thirds or titling.
- Captions cannot share the lower third or titling space, and must be moved to the top in ALL cases.
- Captions cannot duplicate any forced narratives that are burned into the film.
- Captions must only occupy the top and bottom sections of the frame - no midframe caption placement is allowed.
- Must be Pop-On. Roll Up captions are not acceptable.
- Here are a few examples of unacceptable caption placements - [Bad Caption Examples](#)

Subtitle Details

We accept only SRT subtitle files, adhering to the following hard guidelines.

- Must be mixed-sentence case - not all caps.
- Cannot exceed two lines per subtitle.
- Should not contain sound cues or speaker identifications
- Subtitles cannot duplicate any forced narratives that are burned into the film

Works Cited:

LOFTUS, PATRICK. "Captions vs. Subtitles: What's the Difference between the Two?" *3Play Media*, 3 June 2019, www.3playmedia.com/2018/03/06/captions-vs-subtitles-do-you-know-the-difference/.

SCHEDULE C

New Title Metadata Request Sheet

Welcome to Passion River Films! To help us prepare the materials necessary for the release of your title, please fill in the form below as completely as possible and return to ob@passionriver.com.

Please upload this document, along with all other deliverables to our shared cloud storage folder. The exact location is found in your onboarding email.

Thank you!

Please note that items marked with an asterisk (*) are mandatory.

*TITLE:

*DIRECTOR:

DIRECTOR BIO (*1000 characters max*):

*PRODUCER:

WRITER (if applicable):

*CAST/CHARACTERS or KEY TALENT/INTERVIEWS (List at least *2 members of the featured cast. If documentary, please provide main interviewees and their credentials/affiliations/ titles.):

TECHNICAL INFORMATION

*PRODUCTION YEAR:

*PRODUCTION COMPANY:

*COUNTRY OF ORIGIN:

RATING (if n/a, put NR-Not Rated):

*GENRE:

*RUNNING TIME:

*COPYRIGHT HOLDER & YEAR:

FILM SYNOPSIS

*LOG LINE (*255 characters max*):

*SHORT SYNOPSIS (*400 characters max*):

LONG SYNOPSIS:

ACCESSIBILITY/FORMAT

*CLOSED CAPTIONING (*English Required*) (If you do NOT have closed captioning, we can create captions for you for \$5/Minute):

*LANGUAGE(S)?:

SUBTITLES?:

IF YES, WHAT LANGUAGES?:

*SCREEN FORMAT/ ASPECT RATIO (e.g. Widescreen 1.78:1, Widescreen 1.77:1, Fullscreen 1.33:1, etc.):

*AUDIO FORMAT (e.g. Dolby Digital 5.1, Dolby Digital 2.1, etc):

PRESS / ADDITIONAL INFORMATION

PRESS QUOTES and REVIEW LINKS (Please start with the most prestigious):

FILM FESTIVAL SELECTION (Please start with the most prestigious):

AWARDS:

ADDITIONAL COMMENTS / SELL-POINTS (*Optional*):
