

## THEATRE LICENSE AGREEMENT

This Agreement (the "Agreement") dated as of **April 10, 2014** (date) between **DIFT LLC**, the address of which is 101 East 15th Street, New York, NY 10003 (the "Licensor") and **PLUTO PRODUCTIONS**, reg. charity 1062498 reg. in England 3296703 Company Limited by Guarantee, Highbury Suite, Headingley Enterprise and Arts Centre, Bennet Road, Leeds, LS6 3HN, WEST YORKSHIRE, United Kingdom of Great Britain and Northern Ireland, HSBC BANK PLC, IBAN: GB91MIDL40033611130595, SWIFT (BIC): MIDLGB22 (the "Licensee").

It is anticipated that Licensee will operate and assign this agreement to a US formed and based legal entity to operate Production by May 1, 2014. Should assignment not occur by said date, this agreement shall be considered null and void.

**1. LICENSE.** Licensor hereby grants to Licensee, and Licensee hereby accepts from Licensor the use of DR2 (the "Theatre"), located at 103 East 15th Street, New York, NY 10003, solely for the purpose of presenting the theatrical production identified on Schedule A attached hereto and made a part hereof (the "Production"), for the dates and hours specified on Schedule A, the terms and renewals set forth herein, and upon the payment of the fees, expenses and other charges specified on Schedule A and upon the fulfillment of the mutual obligations and covenants set forth herein, Licensee shall use the Theatre solely for load-in, technical set-up, rehearsals, production, and presentation of the Production and for no other purpose, and solely during the hours specified on Schedule A.

**2. GENERAL MANAGEMENT DUTIES.** In addition to the License granted Licensee in Paragraph 1 above Licensee hereby appoints Licensor to provide general management services to Production. Licensor will provide all services normally associated with the general management of a live attraction and will at all times provide reasonable and proper professional skill and care in the provision of its services as follows:

- a. assisting the Licensee in administering all routine and customary financial matters with respect to the Production including the creation of production and weekly operating budgets;
- b. negotiation and administration of all contracts pertaining to the Production (including but not limited to creative personnel, actors, unions, and the physical production) with the exception of the Financing Agreements;
- c. securing of insurance to the extent requested or required;
- d. supervising the Production's accountant in the preparation of a weekly profit & loss statement including an itemized accounting of all production expenses whether or not they have been paid and reviewing accounting statements, bank account statements and tax returns (to be prepared by and under the responsibility of an accountant);
- e. administering the payment of bills, to the extent funds are available;
- f. administering the distribution of royalty (or waiver, reduction or deferral) statements and payments to all royalty participants;
- g. supervising the promotional activities of the press agent, advertising agency and marketing consultant, if any;
- h. maintaining all necessary records and files of such activities referred to above, as well as the general records of the Production. Upon request of the Producer all records will be turned over to the Producer as soon after the close of the Production as reasonably possible;
- i. liaising and dealing with all unions, guilds, and collective bargaining organizations;
- j. creating, maintaining and distributing daily and/or weekly wrap reports and performance based sales reports;

- k. supervising promotional and publicity efforts;
- l. reasonably assisting with archival and b-roll filming;
- m. reasonably assisting with audits and lawsuits;
- n. supervising the closing of the production including but not limited to the take-out, recovery of all bonds and the final accounting statement.
- o. supervise and oversee all company manager responsibilities and activities including but not limited to the reporting of daily wraps and performance reports, house seat fulfillment, management of ticket inventory and performance attendance including offers to TDF, Goldstar and other such discount organizations where seats must be allotted, coordinate and program ticketing in conjunction with the box office, auditing and approving box office statements, providing weekly employee and union reports, preparation of the weekly payroll, preparation of weekly royalty statements, liaison with the venue regarding resolution management of any venue related issues, on-site representative at each and every production.

All of foregoing services shall be performed under Licensee's direction, and all business, artistic and other decisions, including without limitation all contracts and agreements, shall be subject to prior approval of the Licensee.

**3. ADVERTISING SERVICES.** In addition to the License granted Licensee in Paragraph 1 above and the general management services provided to Licensee described in Paragraph 2 above, Licensee hereby appoints Licensor to serve as the advertising agency of the Production. Licensor will provide all services normally associated with the advertising of a live attraction and will at all times provide reasonable and proper professional skill and care in the provision of its services as follows:

- a. Formulate and recommend strategies, ideas, plans, campaigns and concepts for advertising.
- b. Write, design, or otherwise prepare advertisements for newspapers, magazines, radio, television, internet, trade papers and outdoor boards.
- c. Purchase, as agent for Licensee, materials and services required for the production of finished advertisements and commercials.
- d. Order advertising space and time, or other means for placing Licensee advertising and forward advertising material with proper instructions to the media.
- e. Audit all advertising placed, including verification of lineage run, examination of quality of reproduction and of positioning of printed advertisements, audit of radio and television affidavits of performance and audit of all invoices for media, talent and production.
- f. Verify and pay appropriately invoiced and undisputed charges incurred on Licensee's behalf.
- g. Endeavor to do all of the above at the most advantageous rates, terms and conditions available.

In addition to the basic services, License will also provide additional "Special Services" to Licensee at additional cost as needed, and only as requested by client. Such services may include:

- a. Primary research undertaken for Licensee by Licensor including market research and consumer behavior research.
- b. Conduct secondary research and data collection for marketing and advertising purposes, such as Internet research of consumer buying patterns, competitive spending, etc.
- c. Other services mutually agreed to by Licensor and Licensee.

**4. GENERAL MANAGEMENT AUTHORIZATION.** When Licensor is acting as general manager, Licensor is authorized to negotiate any and all contracts and remit payments for any and all invoices on behalf of the Licensee in accordance with the approved budgets in furtherance of the Production. All material contracts, for example the creative personnel contracts, will be subject to Producer's approval. A debit card and/or cash secured credit card for the production entity must be provided upon the opening of a checking account for the Production and Licensee authorizes Licensor to use such debit card and/or cash secured credit card only for the procurement of items necessary to the Production hereunder in accordance with the terms hereof.

**5. APPROVALS.** Any approvals or authorizations required hereunder may be made orally or in writing, as suits the convenience of the parties.

**6. SECURITY.** Upon the full execution of this Agreement, Licensee shall pay Licensor the security deposit for the last four (4) weeks of the run, herein referred to as the "Deposit", in the amount set forth on Schedule A, which is four (4) weeks of the Weekly Theatre License Fee. Licensor, at its election, may apply the security deposit or any part thereof to any payment due from Licensee or the performance of any obligation of Licensee, if Licensee has failed to meet any such obligation. Upon any such application, Licensee, upon demand, shall immediately restore to the deposit the amounts thereof so applied. The Deposit shall be applied against the Weekly License Fee for the final weeks of Licensee's run in accordance with Paragraph 27 below or retained as liquidated damages by Licensor in the event of material breach of this Agreement by Licensee.

Licensor will return any remaining balance of the security deposit due to Licensee no later than two weeks after the last performance date, provided all payments and expenses related to any damages (beyond normal wear and tear) caused by Licensee to the Theatre as determined by the Licensor in its reasonable discretion, plus any other charges accrued and unpaid, have been resolved.

**7. LICENSE FEE.** Licensee shall pay to Licensor as license fees the sums set forth on Schedule A.

a. General Management Production Fees shall be due upon execution of this agreement.

b. Standard General Management Weekly Fee shall commence four weeks prior to the first rehearsal and shall terminate with the commencement of the Pre-Performance period. It shall additionally commence for the two weeks after the License End Date.

c. During the Pre-Performance period as defined in Schedule A attached here to, Licensee shall pay to Licensor all payments due and owing on the first day (Monday) of each week. Unless otherwise specified, whenever the word "week" is used in this Agreement, it shall refer to the period commencing Monday and ending Sunday.

d. Commencing with the Preview period and continuing through the Performance period as defined in Schedule A attached hereto, payments (including payment of the License Fee) shall be effected by means of a Weekly Settlement Statement drawn against Licensee's weekly box office receipts for performances presented through and including the final performance on Sunday of the prior week, which weekly box office receipts will be on deposit in Licensor's box office account. At the Weekly Settlement, which shall take place no later than 8:00 p.m. on Tuesday following the close of each week, Licensor shall deliver to Licensee a check in the amount calculated by deducting from gross weekly box office receipts for such week all payments due to Licensor from Licensee, including without limitation the License Fees, General Management Fee, Advertising Fee, and any other charges which may be due or owing to Licensor. If said weekly box office receipts are not sufficient to cover the total amount due to Licensor, Licensee shall pay the difference to Licensor not later than 6:00 p.m. of the immediately following business day. If Licensee fails to do so, the License may be terminated at the option of Licensor if the deficiency is not made up by the following Weekly Settlement, and Licensor may retain all advance monies paid to it by Licensee without prejudice to Licensor's right to demand and collect any additional monies due it hereunder. Licensor's options hereunder are in addition to and not in lieu of other options available under this Agreement.

e. Notwithstanding anything to the contrary herein contained, if full payment has not been received for tickets purchased through Telecharge or remote sales outlets or from credit card sales, Licensor shall remit to Licensee that portion of Licensee's share which it has on deposit from prior payments specifically for the performance week in question from Telecharge, the Theatre box office window, TDF ticket sales booth, and other sources and shall remit the balance due, if any, with the Weekly Settlement following the collection of same.

**8. PERSONNEL.** Licensor shall provide the services of the personnel designated on Schedule A only and only for the time periods set forth thereon. Acting as general manager, Licensor will select, hire, subject to the approval of the Producer, and supervise the activities of the following person(s). Licensee will be responsible for, in accordance with the Production's approved budgets and/or as required by applicable union contracts, the salary, payroll taxes, benefits, and all costs and expenses incurred by or for the following person(s). It shall be understood that Licensor shall not serve or fulfill any of responsibilities as outlined below, unless another fee is negotiated in good faith at least twelve weeks prior to first rehearsal.

a. Company Manager. Salary is not to exceed one hundred ten percent [110%] of the applicable ATPAM minimum. Company Manager's contract shall commence at least two weeks prior to the week containing the first rehearsal but in no event later than six weeks from the week containing the first public performance. Company Manager's contract shall continue until two weeks after the final performance.

b. Accounting Firm. Licensee shall contract with a mutually approved US based Theatrical Accounting Firm upon the commencement of fundraising or twelve weeks prior to the first rehearsal, whichever occurs earlier. Accounting Firm shall be responsible for timely creation of financial statements related to Balance Sheets, Member's Equity, Operations, Closing, etc., which shall be dispersed to investors and filed with the NY Attorney General's office when appropriate. Accounting Firm shall also be responsible for preparation of annual US tax forms and K-1s.

c. Theatrical Bookkeeper. Bookkeeper shall be responsible for the timely and accurate entries into a professional accounting software file, and within the Generally Accepted Practices and Principles of Accounting. Bookkeeper shall also prepare and generate weekly Profit & Loss, and Balance Sheet reports.

d. Production Manager. Licensee shall contract with a mutually approved Production Manager at least twelve weeks prior to the first rehearsal. Production Manager shall oversee all distribution of information to the creative team and management for Production, bidding of equipment rentals and purchase; oversight and implementation of safety standards; certification of the structural soundness of the physical production; maintaining required licenses in respect of fireproofing, rigging, etc; sourcing of personnel; oversight of load-in and load-out of production; conducting production meetings; attending and managing technical rehearsals; maintenance of technical information and the creation of the technical production "bible" and tech rider; monitoring and, when necessary, addressing issues reported in rehearsal and production reports; remaining available for consultation on technical matters after opening and throughout the Production; and overseeing the final load-out and storage of all items once the Production has concluded, including the proper and complete return of all rental equipment.

## **9. ADDITIONAL SERVICES.**

a. Licensor's responsibilities herein do not include services of securing Work Authorization Permits or Visas for Licensee's employees or sub-contractors. Licensor agrees to engage and hire separately, an entertainment and immigration attorney for such matters.

b. Licensor's responsibilities herein do not include services related to the creation of an album, the filming or cinecast of the production, or the management of events outside of the customary promotional and press related activities. In the event that Licensee requests that Licensor perform such services, Licensor shall require additional compensation on terms to be negotiated in good faith.

c. In the event that Licensor provides any services, as requested by Licensee, following the second (2nd) week after the conclusion of the License End Date, such as providing information to accountants, making distributions to investors and/or profit participants, pursuing the possibilities of exercising additional rights Licensee may have pertaining to the play, etc., Licensor shall be entitled to additional compensation, the terms of which are to be negotiated in good faith.

d. Should Licensee request Licensor to act as property licensing agent, Licensor shall be entitled to Ten (10%) Percent of Licensor receipts from said licenses.

e. Should Licensor participate in filing annual tax returns on the Producer's behalf during any week that that does not contain a public performance, Licensor shall receive an additional One Thousand Five Hundred (\$1,500.00) Dollars.

#### **10. USE OF THEATRE BY LICENSOR.**

a. Licensor reserves for itself the exclusive use of the Theatre at any and all times not herein granted to, or used by, Licensee. Licensor, or its representative, shall have free access to any rehearsal or performance of the Production at the Theatre.

b. During the Performance Period, commencing with the Official Opening as set forth on Schedule A, the Theatre shall be available to Licensee for performances each week, Tuesday through Sunday, between the hours of 5:00 p.m. and 11:00 p.m., and, if Licensee presents a matinee performance (Wednesday, Saturday, or Sunday only), the Theatre shall be available between the hours of 12:00 p.m. and 6:00 p.m..

c. During the Performance Period, commencing with the Official Opening as set forth on Schedule A, the Theatre shall be available to Licensee for rehearsals for up to twelve (12) hours only each week Thursday or Friday only between the hours of 12:00 p.m. and 6:00 p.m. Licensee hereby agrees to furnish to Licensor a schedule of its forthcoming rehearsal schedule at least one (1) week in advance of rehearsal.

d. In the event that Licensee requests the use of the Theatre on a Monday following the Official Opening for the purpose of performing the Play, and the request is made at least one (1) week prior to the day in question, Licensor may in its sole discretion grant to Licensee permission to use the Theatre at no additional cost, but only for the purpose of performing the Play. In such event, a compensating dark day shall be scheduled within the same week, and Licensee shall pay the additional cost, if any, of all Theatre personnel required to service the Theatre and box office on such dark day

e. Licensee hereby agrees to furnish to Licensor a schedule of its forthcoming performance schedule at least two (2) weeks prior to the first public performance of the Play at the Theatre, and thereafter Licensee shall advise Licensor by seven (7) days written notice of any change to be made in said schedule.

**11. NON-EXCLUSIVITY.** Licensor may engage in other business activities, including the production and management of plays and production companies and this agreement shall in no way be deemed to restrict Licensor from engaging in any other activities it may desire, provided, however, that Licensor and its representatives shall devote such time as is necessary and desirable for the performance of their functions and responsibilities as described in this agreement and in any agreements supplementary hereto.

#### **12. BOX OFFICE.**

**a. Box Office Personnel and Bank Accounts for Advance Ticket Sales.** The Box Office shall be staffed and operated by Licensor, which shall hold the Theatre License as required by the Department of Licenses of the City of New York. All box office bank accounts shall be registered in the name of Licensor.

**b. Box Office Hours and Staffing.** The box office shall be open a minimum of two hours before the first performance of each day and remain open until fifteen (15) minutes after the commencement of the final performance each evening. The box office shall be staffed by a Treasurer. In the event that Licensee or Licensor requires additional box office personnel, Licensor shall furnish same as requested, and the wages and applicable payroll taxes of said additional personnel shall be charged to Licensee.

**c. Box Office Operating Costs.** All costs of operating the box office incurred by Licensor including, but not limited to, box office personnel (including payroll taxes) retained at Licensor's discretion, the cost of printing tickets, and the per ticket charges of the ticketing service company described in Paragraph 12.g. hereof, shall be charged to Licensee.

**d. Ticket Prices.** Licensor shall approve all box office ticket price scales for the Production prior to the event being programmed on the ticketing system.

**e. Definition of Gross Weekly Box Office Receipts.** "Gross Weekly Box Office Receipts" shall mean receipts from the sales of tickets for performances of the Production, less admissions and other taxes or use fees (if any), broker's fees, subscription fees approved by Licensor (not to be unreasonably withheld) and Licensee, customary commissions of group sales and theatre party agents approved by Licensor and Licensee, TeleCharge charges, credit card commissions (at four (4%) percent, including Telecharge service charges and handling fees, if any) and discounts from TKTS booth sales (subject to prior approval by Licensor), payable on such receipts. The box office shall be authorized to accept personal checks (mail orders only), bank orders, postal savings orders, and other conventional types of payment as payment for

tickets to the Production. All losses in the event of nonpayment or non-collection or otherwise in connection with any such orders for payment of funds shall be borne by Licensee and may be deducted from Gross Weekly Box Office Receipts by Licensor. Licensor shall provide Licensee with a duplicate copy of the daily and weekly box office statement, verified by representatives of Licensor and Licensee and the box office Treasurer.

**f. Responsibility for Box Office Monies.** Licensor shall be fully responsible for the safe-keeping of all monies held in Licensor's box office accounts.

**g. Telephone Ticket Sales/ TeleCharge.** Licensor has an exclusive sales agreement with TeleCharge which requires that all tickets be generated through the TeleCharge system, either by the TeleCharge-owned computers installed in the Theatre box office or otherwise; that (except for direct sales through the Theatre box office) TeleCharge shall be the sole sales agent for telephone sales, remote outlet sales, internet sales, and other sales of tickets to the public with respect to the Production; and that all print advertisements of the Production include the TeleCharge telephone number. All tickets, two-for-one tickets and any other documents evidencing or affecting the right of admission to the Theatre, shall be ordered by Licensor at Licensee's direction, and at Licensee's expense. Licensee covenants that it will not order, distribute and/or issue same without Licensor's prior consent. All advertising, flyers and/or promotional materials shall clearly and legibly include Telecharge.com's name and telephone number. Neither Licensor nor Licensee shall distribute or cause to be distributed any tickets, passes or other evidence of admission to the Theatre for any invitation previews of the Production to any person, firm or corporation engaged in the business of re-selling same to the general public or to any theatre tickets club engaged in the business practice of distributing such tickets, passes or other evidence of admission.

**13. BANKING, BOOKKEEPING, RIGHT OF INSPECTION.** Licensor shall maintain the checkbook for the Production and be able to sign such checks singly. It is understood that the records related to matters customarily administered by Licensor on behalf of Licensee shall be maintained at Licensor's office and will be available for inspection by Licensee's representative during normal business hours throughout the term of this Agreement and for one year thereafter. Licensor agrees to transfer the books and records from each production to Licensee no later than one year from the close of the final performance of the final engagement. Licensor's records for its business shall not be available for inspection by Licensee.

**14. HOUSE SEATS.** Licensor shall be entitled to purchase at regular box office prices one pair of house seats for each regular evening and matinee performance of the Play at the Theatre in the following location: E 1 and 2. Such tickets shall be set aside by Licensee and be made available for purchase by Licensor or its designee until 96 hours preceding each scheduled evening performance of the Play and until noon four days preceding each scheduled matinee performance. For the official opening night of the Play, Licensor's foregoing house seats shall be complimentary to Licensor and Licensor shall be entitled to purchase three additional pairs of tickets in good orchestra locations. Licensor may use up to four seats on a complimentary basis for any performances for which tickets remain unsold as of the beginning of the performance. If no tickets remain unsold, Licensor shall pay the lowest price paid for any ticket at that performance. Licensor shall maintain such records as are required in connection with house seats by the New York State Attorney General. Except for house seats reserved for purchase by Licensor and such others entitled to purchase house seats, no tickets shall be reserved from sale to the general public.

**15. HOUSE RULES.** Licensee acknowledges and agrees that it and those in its employ will abide by the House Rules set forth in Schedule B, attached hereto and made a part hereof.

**16. OUT OF POCKET EXPENSES.**

a. Licensor shall be reimbursed by the Licensee, upon the proper invoicing of Licensee, for all reasonable, actual, direct out-of-pocket expenses including, but not limited to postage, messenger, phone (cell phone, office phone – local, long distance and international), copies (black and white at \$0.08/each and color at \$0.15/each), show specific supplies such as binders, three hole punch paper, envelopes, labels, etc., computer charges such as email address and wireless access for Company Manager, and local transportation.

b. The balance of expenses shall be paid by Licensee to Licensor within thirty (30) days of transmission of invoice. If the payment of the invoice (or any balance thereof) is late, Licensee agrees to pay to Licensor Two (2%) Percent per month interest based on the balance of expenses owing.

c. Production assistant services, as needed for matters such as payroll control and house seat control or other matters required for the management of the Production, shall be billed at Licensor's customary rate, subject to Licensee's prior approval.

## **17. FACILITIES AND EQUIPMENT.**

a. **Facilities and Equipment.** The premises and Licensor's equipment will be maintained in good working order. Any damages incurred or inflicted by Licensee shall be repaired at Licensee's expense, reasonable wear and tear excepted. Licensor shall furnish and make available to the Licensee the Theatre with an audience capacity of 99 seats. Stage and equipment provided by Licensor are set forth in Schedule C, attached hereto and made apart hereof. Licensee shall provide itself with any additional stage electrical equipment, cable and all other equipment necessary for the presentation of the Production not provided in Schedule C, provided, however, that Licensee first secures Licensor's written approval together with the prior approval of the governmental authorities having jurisdiction thereof including, but not limited to, the Local Board of Fire Underwriters, and that Licensee complies with the ordinances, statutes and laws of the City of New York, and any and all rules, regulations, and directives issued by every governmental bureau, department or agency exercising jurisdiction thereof. Licensor reserves the right to correct any violation of Licensee's equipment at the sole cost and expense of Licensee, upon the failure of Licensee to promptly remove any such violation. Any and all fees for inspection of said equipment by any agencies shall be paid for by Licensee.

b. **Personal Property.** Licensor shall have no responsibility whatsoever for any personal property belonging to Licensee or any employees and/or other personnel of Licensee.

### **c. Air Conditioning/ Heating.**

i. Licensor will provide air conditioning and heating for the Theatre.

ii. Normal maintenance and repair of air conditioning equipment will be made by Licensor, but the costs of repairs necessitated by abuses of Licensee shall be borne solely by Licensee.

iii. If air conditioning/heating equipment shall become totally inoperable for more than one (1) week, without contributory fault on the part of Licensee, Licensee shall have the right to terminate this Agreement and move. Notice of the exercise of the right to terminate for failure of the air conditioning/heating equipment shall be given to Licensor at least two (2) days prior to the effective date of such termination (excluding Sunday).

d. Licensor's staff shall maintain the Theatre space, dressing rooms, lobby, toilets, offices, sidewalk area, and all other parts of the premises herein in good, clean, orderly and sanitary condition at the beginning of each day, but in no less than after each performance, of Licensee's occupancy during the Preview and Performance Period. Licensee shall keep and leave said parts of the premises in good, clean, orderly and sanitary condition after intermittent use during the day, other than use during regular public performances. All additional costs or expenses incurred in maintaining the premises resulting from the building or installing of scenery, machinery, props, etc. in the Theatre space shall be borne solely by Licensee.

## **18. CREDITS.**

a. Licensee shall prominently use the name DR2 THEATRE, its address (103 East 15<sup>th</sup> Street, New York, NY 10003) in all advertising, and DR2 THEATRE on the cover of all programs of the Production.

b. All house programs and souvenir programs of the Production shall include the Licensor's biography and staff (Theatre, General Management, and Advertising), exactly as submitted by Licensor.

c. Licensee may not directly or impliedly represent that Daryl Roth is involved with or affiliated with Licensee's production.

**19. ALTERATIONS.** Licensee agrees to accept the Theatre in its present condition "as is". Licensee shall not make any improvements, changes, alterations and/or decorations, nor shall Licensee mark, paint, drill

into or in any way deface any part of the Theatre or affix any of its settings or property to any surface on the premises without obtaining the specific prior written consent of Licensor.

**20. SURRENDER OF PREMISES.** Licensee may use the Theatre solely on the dates and during the hours specified on Schedule A and Paragraph 7 above. Licensee hereby agrees to remove all chairs, props, set pieces, equipment and any other property brought into the Theatre by Licensee, and restore to a “broom clean” and proper condition, by no later than twelve midnight (12:00 am) of the final date of the License Period. If Licensee does not remove said equipment and any other property by said time, Licensor may dispose of same as it sees fit, inclusive of the right, but not the obligation, to remove and/or store, at sole expense of Licensee. Licensee shall, in addition, be liable to Licensor for all damages sustained by Licensor caused by Licensee’s failure to so remove and restore, and for all costs and expenses in removing any and all of Licensee equipment and property and disposing of same, and for storage charges, if stored, at the conclusion of the license period.

**21. INSURANCE.** Licensee agrees that it shall secure and shall require any contractor to secure Public Liability Insurance at a minimum combined single limit of not less than One Million (\$1,000,000) Dollars per occurrence, Two Million (\$2,000,000) Dollars in the aggregate to cover its operations. Licensee shall, not later than three (3) days prior to the first day of the Pre-Performance Period or, if applicable, three (3) days prior to contractors’ work commencement at Theatre, deliver to Licensor certificates of such insurance containing in each case a clause requiring ten (10) days prior notice of cancellation to Licensor, issued by an insurance carrier duly licensed to do business in the State of New York. Licensee further agrees that it and its contractors will at all times, commencing with the first day of occupancy of the Theatre, and until the minimum of five (5) days after the expiration of the term and the last extension thereof, carry statutory Worker’s Compensation Insurance with a carrier duly licensed to do business in the State of New York. Licensee shall reimburse each week to Licensor the Liability Insurance expense incurred by the admissions of the audience at the rate of Twenty-Five (\$0.25) Cents per capita, whether admissions are paid or complimentary. With respect to each insurance policy described in this Paragraph 21, Licensee shall cause Licensor, Daryl Roth Productions Ltd., Daryl Roth, Steven Roth, Adam Hess and Grant A. Rice to be listed as additional insureds. Any election by Licensee to utilize a different entity to secure the insurance policies required pursuant to this Paragraph 21 will be subject to Licensor’s written pre-approval.

## **22. CONCESSIONS AND MERCHANDISE.**

a. Licensor reserves to itself the exclusive right to operate or contract with concessionaires for the operation of checking facilities, and for the sale of candy, soft drinks, refreshments, etc.

b. Licensee may sell souvenir books, videotapes and/or published texts of the play, and/or any other show related merchandise through the concessions operated by Licensor. Licensee shall be solely responsible for securing any necessary permits and/or licenses in connection therewith, and agrees to indemnify and hold Licensor harmless from any and all liabilities of any nature which may arise from the sale of said merchandise. Licensor shall be entitled to deduct and retain an amount equal to fifteen (15%) percent of the actual net revenue received by Licensor from sale of said merchandise and shall remit the balance to Licensee.

c. Licensor shall provide Licensee with verified weekly statements of any such sales of merchandise and concessions, and cash settlements thereto shall be made weekly.

**23. FRONT OF HOUSE.** Licensor agrees to provide Licensee with use of the space on the Theatre’s poster cases, and reasonable space within the premises, at no additional cost to Licensee, for pictures, posters, display advertising of the Production, and house boards wherever same is not prohibited to Licensor, in such manner and in such amount as Licensor, at its sole opinion, shall determine. All such posters, house boards, displays, pictures, etc. are subject to prior written approval of Licensor. All costs of the foregoing shall be borne by Licensee. Licensor reserves to itself the right to use additional “billboards” and “A-boards” in front of the Theatre to announce other attractions at the Theatre. All other advertising of the Production on the exterior of the Theatre is subject to prior written approval of Licensor.



**24. THEATRE RESTORATION FEE.** Theatre Restoration Charge in the amount of Fifty (\$0.50) Cents per ticket (subject to annual adjustment by Licensor) shall be charged with respect to each ticket to the Play at the Theatre offered for sale at the established price of the ticket or at any discounted or other price and shall be paid for by the ticket buyer, with Licensor to receive for its own account all proceeds from such charge. Licensee agrees that in all promotions, advertisements or listings of the Play in any media, including print, radio, television, and/or the internet, where the ticket price for the Play is provided and/or stated, Licensee shall set forth the established price, unless such ticket is being sold for less than the established price, in which case the prices necessary for admission to the Play shall be stated, inclusive of the theatre restoration charge with the amount of the theatre restoration charge separately identified. The theatre restoration charge shall not be included in the Gross Weekly Box Office Receipts as defined in Paragraph 12.e. above. All box office statements and all corresponding Telecharge reports for the production shall not include the theatre restoration charge in the calculation of ticket proceeds. Any monies determined to be due to any pension and/or welfare funds on account of the theatre restoration charge shall be paid by Licensor.

**25. EXCLUSIVE PRESENTATION.**

a. Except for the engagement herein contracted for, Licensee agrees that without Licensor's prior written consent, which may be given or withheld in Licensor's sole discretion, Licensee shall not present or authorize the presentation of the Play or any portion thereof in a live stage appearance or in any other media in any venue within one hundred (100) miles of the Theatre prior to or during the Term hereof for a period of sixteen (16) weeks following the last performance of the Play at the Theatre, except for the original cast recording, if any, and extracts from the Play not exceeding ten (10) minutes each, which may be presented on radio or television for the sole purpose of advertising and promoting Licensee's production of the Play, but for no other purpose. In the event Licensee attempts to transfer its production to another theatre in violation of this Agreement, Licensor shall have the right to obtain injunctive relief, and Licensee shall be obligated to pay Licensor costs and attorneys' fees in connection therewith, without prejudice to any other rights Licensor may have.

b. Anything to the contrary notwithstanding the above, in the event Licensee moves the Play to another theatre in New York, Licensee shall pay to Licensor a Percentage License Fee equal to one (1%) percent of one hundred (100%) percent of the gross weekly box office receipts for each week that the Play runs at the new Theatre. In the event the Licensee presents the Play in a New York City theatre other than the Theatre prior to the conclusion of the sixteen (16) week period referred to in the immediately preceding paragraph, then the Licensee shall pay to the Licensor, as liquidated damages, Five (5%) Percent of One Hundred (100%) Percent of the gross weekly box office receipts from such production until the sum of the weeks at the Theatre and the new Theatre equal Sixteen (16) weeks, thereafter Licensor will be paid the royalty set forth in the immediately preceding sentence.

**26. ADDITIONAL COMPANIES.** If at any time during the term of this agreement the Production contemplated hereunder shall be contemplated or presented as a first-class production by the Licensee, alone or in association with others, or otherwise under Licensee's control or partial control, Licensor will be given the right of first refusal to provide services to the Production and compensation due to Licensor shall be negotiated in good faith at such time, but in no instance later than 12 weeks prior to the first rehearsal under a first-class contract.

Additionally, if during the run of the Production contemplated hereunder or within five (5) years after the close of the Production, there shall be other productions of a similar nature presented by the Licensee, alone or in association with others, or otherwise under Licensee's control or partial control in the United States and Canada then, as respects each such additional company, Licensor, in Licensor's sole discretion, shall be engaged by the Licensee to act as general management under terms and conditions to be negotiated in good faith, taking into account the budgets of the applicable production and industry precedent, no later than twelve (12) weeks prior to the first performance of each production contemplated in this Paragraph. Licensor's declination to render services or our failure to reach an agreement for the terms and conditions thereof with respect to a particular presentation company shall in no way affect or defeat Licensor's right to render services with respect to any succeeding presentation.

Licensor's declination to render services or our failure to reach an agreement for the terms and conditions thereof with respect to a particular presentation company shall in no way affect or defeat Licensor's right to render services with respect to any succeeding presentation.

**27. TERMINATION.** The License shall commence and terminate on the dates established in Schedule A attached herein except as modified below:

a. Licensor may terminate this Agreement upon written notice of any default by Licensee in making payments required by this Agreement, or any material breach or default by Licensee. If Licensor notifies Licensee that it has terminated this Agreement, Licensee shall have forty-eight (48) hours to cure (except where otherwise specifically provided) and if Licensee fails to cure, this Agreement shall be terminated and Licensor shall retain any advance payments without prejudice to Licensor's right to demand additional monies due it.

b. In the event Licensor terminates this Agreement, Licensee agrees to surrender the premises in accordance with Paragraph 20 hereof. If Licensee fails to do so, Licensor may enforce its rights by injunction and/or any other type of legal and/or equitable relief, and Licensee will be liable for Licensor's disbursements and attorney's fees. It is specifically understood that Licensee is not entitled to arbitrate Licensor's termination of this Agreement prior to surrendering the premises.

c. It is specifically understood that this Agreement may only be terminated by Licensee in the event of inoperability of the Theatre or impracticability of attending the Theater pursuant to Paragraph 10 hereof. If terminating for any other reason, Licensee must give at least four (4) weeks prior written notice of termination. If Licensee terminates this Agreement and gives Licensor at least four (4) weeks prior written notice after the Official Opening, the Deposit shall be applied to the Weekly License Fee for the last four (4) performance weeks of the notice period. If Licensee gives less than four (4) weeks notice, one-fourth (1/4) of the Deposit shall be applied to the Weekly License Fee for each week of the notice period and the balance shall be retained by Licensor as liquidated damages. If Licensee gives at least four (4) weeks notice after the Official Opening but fails to present the Production for any of the final four (4) weeks of the notice period, the balance of the Deposit shall be retained by Licensor per Paragraph 19.d below. Notice of termination may not be given prior to the Official Opening.

d. In the event Licensee terminates this Agreement for reasons other than of the inoperability of the Theatre or a force majeure, and fails to present at least four (4) performances in any week of the notice period as described in 27.c., Licensee is responsible for any remaining payments of the Weekly License Fees at the rate of Five-Thousand Eight Hundred Twelve Dollars and Fifty Cents (\$5,812.50) per week for the last four weeks of License Period and any additional damages or outstanding payments due to Licensor by Licensee at the time of termination of this Agreement.

e. At the conclusion of the final week of the run of the Production, Licensor may withhold from the box office receipts then in its possession such amount in reserve as Licensor in its discretion determines may be reasonably required to cover all outstanding charges incurred but not yet billed to Licensee on the Weekly Settlement Statement as well as any amount needed to restore Theatre to its original condition. Any amount so withheld shall be paid to Licensee after all outstanding bills have been rendered and actual liability ascertained and the Theatre has been completely restored to its original condition at the onset of this Agreement. Said payment shall be made no later than one hundred eighty (180) days from the conclusion of the run of the Production. In the event that there shall be any deficiency in the amount of the final week's box office receipts to cover the items for which deductions would normally be made on future Weekly Settlement Statements, the Licensee shall cover such deficiency at the time of the final Weekly Settlement Statements, by payment of an estimated amount thereof to Licensor. Nothing herein shall be deemed to modify or impair the effect of the provisions of Paragraph 7 hereof, and this Paragraph 27.e. shall be deemed to provide merely a mechanical method for discharging the obligations for payment provided in Paragraph 7.

f. Any expenses incurred subsequent to the closing of the Production and related in any way to the presentation of the Play at the Theatre shall be borne exclusively by Licensee.

g. In the event of a disagreement between Licensee and Licensor with respect to monies due Licensor, Licensee's remedy shall be payment and arbitration pursuant to the provisions of Paragraph 32 hereof.

## 28. NOTICES

Any notices provided for herein shall be in writing and shall be deemed given when personally delivered, or when mailed by first class mail and telefaxed or electronically mailed, to the parties at the following addresses:

a. If to the Licensor,  
Mr. Aaron Thompson, General Manager  
The Daryl Roth Theatre  
101 East 15<sup>th</sup> Street  
New York, NY 10003  
(Facsimile #212-375-1120)  
aaron@darylroththeatre.com

b. If to the Licensee,  
XXXX  
with a copy to:  
XXXX

**29. LABOR RELATIONS** Licensee shall not enter into negotiations, request any rulings, determinations or decisions, and shall not appear for any purpose before any agencies, unions, societies, guilds or organizations which may affect or concern Licensor, the Theatre, and/or the Production without the knowledge, participation and physical presence of Licensor or Licensor's representative, and any violation of the provisions of this Paragraph by Licensee shall automatically terminate this Agreement and Licensor shall retain any monies held by it as liquidated damages for Licensee's breach thereof.

**30. COPYRIGHTS.** Licensee represents to Licensor that any elements of text, graphics, photos, designs, trademarks or other artwork furnished to Licensor, for its use under this agreement, are owned by Licensee, or that Licensee has written permission from the rightful owner to use each of these elements. Licensee will indemnify, hold harmless, protect and defend Licensor from any claim or suit including reasonable attorney's fees arising from the use of such elements furnished by Licensee. The parties further agree that all creative work produced by Licensor within the scope of this agreement shall be considered "work for hire" and the property of Licensee. The foregoing shall be conditional upon timely payment by Licensee for all invoices rendered respecting such work.

**31. CONFIDENTIALITY.** The parties agree that all information and matters (whether such information is embodied in memory or in writing or other physical form) regarding this Agreement (including, without limitation, any and all of its terms) are confidential and shall not to be disclosed, disseminated, or otherwise revealed in any manner whatsoever, either during or after the term of this Agreement, except as required by law or court order, publicly known or otherwise in possession of the listener.

## 32. MISCELLANEOUS

a. Licensor is entering into this Agreement in reliance upon Licensee's representation that sufficient funds are available to Licensee to finance and present the Production. Eight (8) weeks prior to the first paid public performance of the Production, Licensee agrees to demonstrate to Licensor's reasonable satisfaction that Licensee has received capital contributions in the amount of Seven Hundred Fifty Thousand (\$750,000) Dollars. If Licensee does not so demonstrate, Licensor may upon four (4) days written notice to Licensee terminate this Agreement and upon effective date set forth in such notice this Agreement shall in all respects be terminated and the parties shall be released of any further obligations to each other, except that Licensor shall have the right to retain all monies paid to it. Nothing herein shall prevent Licensor from seeking additional repayment for any additional monies due to Licensor under this Agreement, including and without limitation, any expenses resulting from the use of the Theatre by Licensee prior to this termination.

b. Licensee agrees to comply in all respects with any and all Local, City, State and Federal rules, regulations, ordinances, statutes and laws in connection with the use of the Theatre. Licensee further agrees to commit no act which would in any way jeopardize the Theatre license or reputation of the Theatre, and,

further, covenants not to commit any act that in any way violates the rules and regulations of the License Bureau of the City of New York having jurisdiction over the Theatre. Licensee agrees that all of its scenery, equipment and paraphernalia will be fireproofed in accordance with the laws, ordinances and regulations of City, State or Federal governments having jurisdiction, and proper affidavits to that effect shall be submitted to Licensor prior to the first day of occupancy of the Theatre by Licensee.

c. The Theatre shall not be used by Licensee in such a manner as would be unsafe and/or in violation of any law. If, in the reasonable opinion of Licensor, any proposed or actual performance shall be unsafe or in violation of the law, Licensor may, in its discretion, terminate this Agreement on two (2) days written notice to Licensee in which Licensor shall specify the objectionable aspect(s) of the proposed or actual performance, provided, however, that such notice of termination shall have no effect if within the two (2) day period such proposed or actual performance shall be withdrawn or appropriately modified.

d. Licensee agrees to indemnify and hold harmless Licensor from any and all claims, lawsuits, judgments, damages, costs and expenses, including reasonable attorney fees, arising out of Licensee's occupancy of the premises herein by Licensee, its directors, officers, agents, employees, subsidiaries, customers, servants, invitees, visitors, or any other person whomsoever; and/or resulting from or based upon any action taken by Licensor as general manager in accordance with this agreement; and/or out of the presentation and production of the Productions at the Theatre, and/or out of any material breach by Licensee, its directors, officers, agents, employees, subsidiaries, customers, servants, invitees, visitors and/or by any contractor, its agents or employees of the obligations, covenants, representations and warranties of Licensee in this Agreement. The foregoing indemnity by Licensee shall continue in full force and effect even if the insurance policies required to be secured by Licensee pursuant to Paragraph 24 above are secured by an entity other than Licensee. Licensor agrees to indemnify and hold harmless Licensee from any and all claims, lawsuits, judgments, damages, costs and expenses, including reasonable attorney fees, arising out of any breach by Licensor of the obligations, covenants, representations and warranties of Licensor in this Agreement.

e. Except as herein otherwise expressly provided, any and all disputes, differences or controversies arising between the parties hereto in connection with the interpretation, performance or breach of this Agreement, shall be submitted to arbitration before a single arbitrator, in New York City by and under the rules and regulations of the American Arbitration Association, and the parties hereby agree to be bound by the determination of the single arbitrator. Judgment on the award may be entered in any State or Federal Court having jurisdiction.

f. This Agreement may not be assigned by Licensee. There shall be no right of sub-licensing or subletting under this Agreement.

g. This is a license agreement, and nothing herein contained shall be deemed to constitute a joint venture, partnership or landlord-tenant relationship between the parties.

h. This Agreement contains the entire understanding of the parties. There are no representations, warranties, promises, covenants or undertakings other than those herein expressly set forth. No waivers, changes or modifications hereof shall be binding unless in writing and signed by the parties hereto. This Agreement shall be construed and interpreted in accordance with the law of the State of New York.

IN WITNESS WHEREOF this Agreement has been executed by the parties hereto, the day and year first above written.

LICENSOR: LICENSEE:

Signature:

By: Aaron G. Thompson  
General Manager  
DR2/ DIFT LLC  
101 East 15<sup>th</sup> Street  
New York, NY 10003

Name: Brian Daniels  
Title: Managing Executive  
PLUTO Productions  
Enterprise and Arts Centre,  
Bennet Road, Leeds

<b>SCHEDULE A Production:</b>	<i>THE GOOD AND THE TRUE</i>
<b>License Start Date:</b>	Monday, July 21, 2014
<b>License End Date:</b>	Sunday, September 14, 2014
<b>Pre-Performance Period:</b>	Monday, July 21, 2014 through Wednesday, July 23, 2014
<b>Preview Period:</b>	Thursday, July 24, 2014 through Monday, 28 July, 2014
<b>Official Opening:</b>	Tuesday, July 29, 2014
<b>Performance Period:</b>	Tuesday, 30 July, 2014 through Sunday, 14 Sep 2014
<b>Pre-Performance and Preview Hours in Theatre:</b>	Monday thru Friday: 8:00am thru 12:00am 1 <sup>st</sup> Saturday in License Period: 8:00am - 12:00am 1 <sup>st</sup> Sunday in License Period: 8:00am-12:00am Subsequent Saturdays & Sundays: 11:00am-12:00am
<b>Performance Hours in Theatre:</b>	See Paragraph 5
<b>Security Deposit:</b>	\$23,250.00 (Four weeks Theatre License fee)
<b>GM Production Fee:</b>	\$10,000.00
<b>License Fees</b>	
Weekly Theatre License	\$5,500.00
GM Weekly	\$1,500.00
Advertising Weekly	\$750.00 plus 10% media commissions
<i>Weekly Total Valued At:</i>	<i>\$7,750.00 plus 10% media commissions</i>
25% Weekly License Fee Discount	\$1,937.50 off fees only, 10% media commission is not reducible
<b>Additional Services - At Cost</b>	
Treasurer:	3 hours per performance included. \$35 per additional hour.
House Manager:	Up to 8 performances per week included. \$65 per additional performance.
Tech Director:	\$35 per hour per request
Usher:	\$16 per hour if usher is required.
Company Manager	\$750.00 Weekly
Bookkeeping	\$350.00 Weekly
Maintenance/ Cleaning:	Normal Maintenance/ Cleaning Included
Payroll Taxes:	17% of additional hours/performance
<b>Miscellaneous Expenses</b>	
Utilities	Included
Telephone	Included
B.O. Supplies/ Insurance	Included
Carting & Sanitary Supplies	Included
A/C Usage	Included
Exterminating	Included
Venue Admission Insurance Reimbursement	\$0.25/person
TeleCharge Fee	\$0.20 per printed ticket