

**MEDIA BAKERY, LLC.
SUPPLIER REPRESENTATION AGREEMENT
FOR ROYALTY FREE AND RIGHTS MANAGED LICENSES**

This Representation Agreement made and effective this _____ day of _____, 20__
by and between Media Bakery, LLC. ("MB") with offices located at 3905 State Street, Ste 7-510,
Santa Barbara, CA 93105 and _____ ("") whose address is

_____.

THIS AGREEMENT IS BASED ON THE FOLLOWING UNDERSTANDINGS:

- A. That MB is engaged in the business of licensing Media (as defined herein), to Licensees or Third Parties in exchange for a license fee, including the licensing of Media for Royalty Free or Rights Managed usages (as defined herein).
- B. The Supplier is the exclusive owner of certain Media and/or Products, or otherwise is authorized to sub-license such Media and Products for Royalty Free and Rights Managed purposes, and wishes to grant MB the right to license and distribute the Media and Products on a Royalty Free and Rights Managed basis, pursuant to the terms of this Agreement.
- C. The Supplier and MB have mutually agreed that it is in their best interest to enter into this Exclusive Agreement for the Royalty Free and Rights Managed licensing and distribution of the Supplier's Media and Products under the following terms and conditions.

Therefore, in consideration for the mutual covenants and promises contained herein, the parties agree as follows:

DEFINITIONS

For the purpose of the Agreement, the following terms used in the Agreement shall have the following meanings:

1. "Affiliates" means any entity either currently or subsequently, directly or indirectly, owned or partnered by MB.
2. "Media" shall include any audio, still, photographic, or motion picture images or photographic images including but not limited to photography, illustration, animation, digital images, film, digital, analog or video footage or their derivatives, obtained by camera or computer in any media now known or later created.
3. "Net Receipts" means the revenue actually received by MB for sublicensing Media to Third Parties, Affiliates or Licensees. Net receipts shall not include any sales tax, foreign tax credits, download fees, transfer fees, research fees, freight charges, late charges, interest, collection agency fees and other similar charges not directly attributable to the reproduction of the Media.
4. "Products" means any compilation of the Media in CD-ROM form or in any media, which is now known or may become known in the future.
5. "Promotional Materials" includes print catalogs, directory ads, trade and consumer magazine ads, CD catalogs, demo reels, videos, MB's owned web sites and any other media now known or hereafter created, designed to promote the Supplier's Media, MB, or its Licensees or Affiliates.
6. "Royalty Free License" means the licensing of Media for use on a substantially unlimited basis for an unlimited period of time for a license fee not based on usage, but size.
7. "Rights Managed License" means the licensing of Media for use on a limited basis for a limited period of time for a license fee strictly based on usage and exposure.
8. "Stock Agency" means any stock picture agency, stock film library, picture library, on-line image service, or any other similar entity that is in the business of licensing, distributing, providing, selling or otherwise exploiting Media anywhere in the world.
9. "Licensee" means an entity authorized to license Media on behalf of MB.
10. "Territory" means the World.
11. "Third Party" means any third party other than Supplier, Affiliates and Licensee.

AGREEMENT

1. SUPPLIER'S GRANT OF RIGHTS

1.1 Pursuant to the terms of this Agreement, Supplier grants to MB for the duration of the Term, in the Territory an Exclusive License to:

- a) Reproduce, publish, distribute, transmit, broadcast, display, perform, adapt, modify, enhance, and make derivative works of any Media or Products, alone or in combination with any other material, in any media now known or which may become known in the future;
- b) Grant Licenses to any Affiliates, Licensees and Third Parties; and
- c) Use Media and Products in MB's Promotional Materials.

1.2 Notwithstanding the above exclusive grant of rights to MB, Supplier retains the right to use his or her Media for the following purposes:

- a) Self Promotion meaning any marketing piece used solely for the purpose of bringing awareness to the Supplier's film business. Self promotion is limited to self promotional circulars (promo cards), demo reels, source book and other industry related advertisements, personal website, compact disc, and other digital media presentations;
- b) With respect to footage, the right to market and distribute the Media as part of a larger production containing multiple scenes; and

1.3 This Agreement shall not prevent the Supplier from submitting to other Stock Agencies or Third Parties any Media that has not been submitted to MB, or has been submitted to MB and then rejected, even if that Media is similar to the Media that MB has selected for Royalty Free Licensing.

1.4 The Supplier grants to MB complete and sole discretion regarding the terms and conditions of licensing model, pricing, sublicensing, use, or other exploitation of Media to Affiliates, Licensees and Third Parties. If applicable, with respect to Products created by Supplier, the parties agree to the delivery and pricing formula as provided in the Royalty Free Product List annexed hereto as Exhibit "B". MB shall have complete and sole discretion as to delivery methods and distribution of the Media and Products.

1.5 Ownership of Media and Products: All Media and Products submitted to MB pursuant to the terms of this Agreement shall be, and remain, the Supplier's exclusive property.

1.6 Waiver of Moral Rights: Supplier waives all moral rights relating to any Media, including but not limited to (1) the right to be identified as the author of any Media, (2) the right to object to any modification of the Media, and (3) the right to withdraw any Media from the market.

2. OBLIGATIONS AND RIGHTS OF MB

2.1 MB shall review all Media and Products submitted by Supplier, and select such Media and Products that it deems appropriate for either Royalty Free or Rights Managed licensing, in its sole discretion. If Product is delivered, MB shall notify Supplier of unselected Products within a reasonable time after review. MB shall notify Supplier which Media is selected and for which licensing model and MB shall retain all selected Media or Products for the duration of the Term of this Agreement.

2.2 Supplier grants MB the exclusive right, at its expense, to determine in its sole and reasonable discretion, without obligation, if, and when, any legal action shall be pursued with regard to the Media, and to defend claims and counterclaims related to the Media. MB shall have complete discretion regarding its choice of attorney. Settlements shall not be subject to the

Supplier's prior approval. Supplier agrees to cooperate with MB, providing, if requested, all reasonable assistance to MB. Supplier agrees to be named in and be joined in as a party to any proceeding in connection with the prosecution or defense of any legal claim. The Supplier shall not hold MB responsible for any misuse of the Media. If MB chooses not to pursue any such claims, then the Supplier is free to pursue such claims him or herself, and is entitled to 100% of any compensation he or she receives.

2.3 MB may, under special circumstances, and at its sole discretion, occasionally advance to the Supplier expense money to pay for production of the Media. In such cases the Supplier agrees that this expense money shall be reimbursed to MB out of the Supplier's royalties.

2.4 The Supplier understands that over time some of the Media MB has selected or retained may become dated or in other ways found not to be marketable. In this event, MB has the sole right to determine when such Media is not marketable, and to destroy them.

3. OBLIGATIONS OF THE SUPPLIER

3.1 The Supplier agrees to deliver to MB, at the Supplier's sole risk and expense for production and delivery, the Media and Products in good condition, and in accordance with the current MB Submission Guidelines. MB's current Submission Guidelines are attached as Exhibit "A" and made a part of this Agreement. Such guidelines may be modified in writing by MB, and MB will provide Supplier with notice of any changes.

3.2 The Supplier agrees to indicate in a clear manner directed by MB whether or not the Media has model releases, or property releases, in accordance with the current Submission Guidelines and shall deliver a copy to MB in accordance with the current Submission Guidelines.

3.3 The Supplier agrees not to circumvent, attempt to circumvent, or permit any other party or persons on their respective behalf to circumvent, MB regarding any transactions during the term of this Agreement, except those licensing rights retained by the Supplier specified in 1.2.a; 1.2.b; and 1.3.

3.4 The Supplier will not submit any Media that have restrictions to, or limitations on, the use of any Media.

4. WARRANTIES OF THE SUPPLIER

4.1 Supplier represents and warrants that:

- (a) Supplier has read and understands this Agreement, and has the legal right to enter into this Agreement and perform his or her obligations hereunder.
- (b) Supplier either is the sole and exclusive copyright holder of all Media and/or Products or has a written agreement with the exclusive copyright holder authorizing it to enter into this agreement and has not assigned the copyrights in the Media or Products to any Third Party.
- (c) Supplier will notify MB of any change in ownership of the Media as it relates to this Agreement.
- (d) Supplier has obtained and shall deliver to MB valid property and model releases where necessary for MB to lawfully distribute, publish, market, license and sublicense the Media and Products for the purpose of Royalty Free Licensing;
- (e) Any Media and/or Products submitted to MB shall not (i) infringe on any copyright or trademark right or any right of privacy or publicity; (ii) defame any third party; nor (iii) give rise to any existing or potential claim by any third party.
- (f) Supplier has submitted all Media and Products in accordance with the current Submission Guidelines annexed as Exhibit "A" hereto.

5. INDEMNIFICATION:

5.1 MB Indemnification: MB covenants and agrees to defend, indemnify and hold harmless the Supplier from and against, and pay or reimburse the Supplier for, any and all costs resulting from or arising out of: (i) any inaccuracy of any representation or warranty made by MB; and (ii) any failure of MB to perform any obligation, covenant or agreement hereunder.

5.2 Supplier Indemnification: Supplier covenants and agrees to defend, indemnify, and hold harmless MB from and against, and pay or reimburse MB for any and all costs resulting from or arising out of: (i) any inaccuracy of any representation or warranty made by the Supplier; and (ii) any failure of the Supplier to perform any obligation, covenant or agreement hereunder. MB may deduct any sums due to Supplier in accordance with Section 6, until all payments due under this indemnification are paid in full.

6. COMPENSATION:

6.1 Royalty: MB will remit the following royalty to the Supplier within sixty (60) days after the close of each month from which the payment from the Third Party, Licensee, Sublicensee or Affiliate is received.

a. Single Image Sales: **Fifty Percent (50%)** of all Net Receipts on all Royalty Free Licensing of Media;

b. Product Sales: In the case of Products supplied to MB, the agreed upon fee as set forth in Exhibit "B" or on the case of Products created by MB, a pro rata share of **Fifty Percent (50%)** with respect to Media selected for MB Products where Supplier's Media is included with other Supplier's Media.

The pro rata share as set forth in (b) herein is determined by multiplying **Fifty Percent (50%)** of all net receipts by a multiplier where the number of Supplier's Media is the numerator, and the total number Media contained in the Product is the denominator.

6.2 Royalty Statements: The Supplier shall receive payment in US Dollars (US \$) drawn on a United States bank. The Royalty Statement shall state the MB inventory ID Number, the net sale, the net receipt, percentage due to the Supplier, and the Supplier's Royalty. All royalty statements shall be binding and not subject to objection unless specific objection is made, in writing, by Supplier to MB stating the basis of the objection within two years from the date the royalty statement was rendered.

6.3 Deductions for Cancellation: In the event that a refund of any part of a payment received or accrued from a Third Party is required, MB is specifically authorized to deduct the Supplier's share of this overpayment from any subsequent amount due the Supplier.

6.4 Promotional Use: No compensation shall be due Supplier for any Products distributed gratuitously for promotional purposes.

6.5 Compensation With Regard to Settlements and Lawsuits: The Supplier shall receive **Fifty Percent (50%)** of all amounts received as a result of a settlement or lawsuit in respect of any matter relating to the Media, after payment of all costs, expenses, expert witness fees, attorneys' fees and other costs related to such action.

7. MARKETING AND PROMOTIONAL MATERIALS

7.1 MB has the right and sole discretion to reproduce, and exploit any of the Supplier's Media in MB's own Promotional Materials without further consent or payment to the Supplier. MB may use the name of Supplier in its sole discretion in connection with any Media or any Promotional Material.

7.2 While the copyright to the individual Media itself remains with the Supplier, the copyright to all Promotional Materials remains with MB. The Supplier agrees to allow MB to register its Promotional Materials with the Copyright Office. Supplier grants MB legal title to all Media used in promotional material solely for purposes of copyright registration. MB will reassign copyright to Supplier upon request. Supplier is encouraged to register all Media with the Copyright Office prior to submission to MB.

7.3 MB will have the explicit right to digitally watermark the Media with the MB logo. While MB will take reasonable precautions in preparing, presenting and managing the Website in an effort to discourage the unauthorized use of RF Media from the Website, Supplier will not hold MB responsible for any manner of copyright infringement of RF Media from the Website or any other Promotional Material by Third Parties.

8. TERMS AND TERMINATION

8.1 The term of this Agreement shall be for five (5) years from the effective date of this Agreement, and shall automatically renew itself on the anniversary date of the Agreement for an additional year, every subsequent year, unless either party notifies the other in writing of its intention to allow the Agreement to expire within thirty (30) days prior to the anniversary date of the Agreement.

8.2 Notwithstanding the date of Termination, Suppliers grants MB the exclusive right to license any Media for a period of five (5) years from the date of first distribution of any Product or Promotional Material containing such Media, including any new editions.

8.3 This Agreement may be terminated as follows:

- a) Termination of this Agreement for failure to comply with the material terms of the Agreement, by either party shall be thirty (30) days after either party receives notice of termination by certified mail, return receipt requested. The effective date of termination shall be thirty (30) days from the date said notice is sent. Upon such termination, MB shall be absolved and discharged from all liability to Supplier, including any obligation it may owe for future sales efforts and development of Supplier's Media.
- b) Upon termination of this Agreement and at the digression of the Supplier, MB shall destroy or return the Media within a reasonable period of time.
- c) Termination will not affect any Royalty Free License granted to any Third Party, such license will continue in full force and effect according to its terms. Suppliers agrees that the licensing of Media or Products may result in payments to MB after termination, and that MB will be entitled to retain its regular fee from such payments and will remit Royalties to Suppliers pursuant to Section 6.

9. LOCATE THE SUPPLIER

9.1 The Supplier agrees to notify MB of any change of address, phone number, fax number or email address, if any. If the Supplier fails to notify MB of any such change, and consequently MB is unable to contact the Supplier after making a reasonable attempt, MB is not liable for any failure to pay royalties to the Supplier.

9.2 If after two years, or whatever time is required by law, MB still has not been able to locate the Supplier; the royalties due the Supplier will be treated according to the laws of the State of California for abandoned property.

10. TAXES, BOOKKEEPING AND ACCOUNTING

10.1 MB shall be solely responsible for the collection and payment of any and all sales, remittance, excise, foreign income or other tax which is or may become due and payable in connection with any license of the Media pursuant to the terms of this Agreement, excepting any of the Supplier's taxes.

10.2 The Supplier or designated representative has the right to inspect MB's books and records electronically upon two weeks advance notice. The Supplier must bear the costs of such an inspection. This right is only to records pertaining to the licensing of the Supplier's Media, and not to the books of MB outside of these specific records. There may be no more than one inspection each calendar year.

11. ASSIGNMENT

11.1 MB may assign this Agreement, in whole or in part, provided that the assignee assumes both the rights and obligations of this Agreement.

11.2 This Agreement shall not be assigned by the Supplier except that:

- a) Supplier shall have the right to assign this Agreement to any corporation in which the Supplier is the principal shareholder.
- b) Supplier shall have the right to assign Supplier's proceeds hereunder.

12. INDEPENDENT CONTRACTOR

12.1 This Agreement does not constitute an employment agreement between the Supplier and MB. The Supplier warrants that he/she is an Independent Contractor, not an employee of MB, and that the Supplier makes his or her services available to the general public in his or her own regular place of business. The Supplier hereby acknowledges and understands that because of this independent contractor status, MB does not pay any withholding taxes, and that the Supplier is responsible for all tax liabilities or other payments due on the money the Supplier receives from MB for the licensing of the Supplier's Media.

13. CAPTIONS, PRONOUNS AND PLURALS

13.1 The captions in this Agreement are for convenience only and do not define or limit any of the terms of this Agreement. Whenever the context requires, words used in singular shall be construed to mean or include the plural, and vice-versa, and pronouns of any gender shall all include the masculine, feminine, and neuter as in the case when such pronouns refer to corporations, partnerships and non-gender entities.

14. DEATH OR INCOMPETENCE OF SUPPLIER, BINDING EFFECT OF AGREEMENT

14.1 In the event of death or incompetence of Supplier during the term of this agreement, MB will send payments to the Supplier's personal representative upon legal notification of such appointment.

14.2 This Agreement shall be binding and inure to the benefit of the parties and their respective heirs, successors and permitted assigns.

15. BANKRUPTCY

15.1 In the event of bankruptcy, receivership or the assignment of assets for the benefit of creditors of either party, this Agreement shall terminate.

16. CONFIDENTIALITY

16.1 Supplier Agrees to hold in confidence and not to disclose to third parties the terms of this Agreement, nor any of the particular business practices, consumer information or other proprietary information of MB to which the Supplier might be exposed; provided, however, the Supplier may disclose the terms of the Agreement to his/her own attorney or accountant.

17. ENTIRE UNDERSTANDING

17.1 This Agreement incorporates the entire understanding between the Supplier and MB, and it can be modified only by a written document signed by both parties. This Agreement supersedes any prior agreement or understanding between MB and the Supplier.

18. LAW GOVERNING

18.1 This Agreement will be deemed to have been entered into in State of California, U.S.A. and shall be construed and enforced in accordance with the laws of California, excluding its laws relating to conflict of laws. Any controversy or claim arising out of or relating to this contract, or the breach thereof, shall be settled by arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules located in Los Angeles, California, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof.

18.2 To the extent that any provision is deemed illegal, void or unenforceable, that provision shall not affect the remaining provision of the Agreement, which shall remain in full force and effect.

18.3 If any legal action or other proceeding is brought for the enforcement of this Agreement, or if a dispute arises under this Agreement, the successful or prevailing party shall be entitled to recover attorneys fees or other costs incurred in that action or proceeding, in addition to any other relief to which it may be entitled.

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

MEDIA BAKERY, LLC.

SUPPLIER:

(please print)

By _____

(Supplier's signature)

(Date)

(Corp.) _____

Address: _____

(Phone) _____

SSN: _____ or

Fed Tax ID No. _____

EXHIBIT A

MEDIA BAKERY SUBMISSION GUIDELINES

Delivery of Media:

Supplier shall deliver upon request, Low Resolution 72 dpi jpeg preview files set at 400 Pixel Wide, High Resolution 300 dpi jpeg deliverable file set to no smaller than that of 11*17 inches. If Footage Clips, 720*486 NTSC Jpeg Compressed QT files rendered from 1st generation Masters.

Currently we are only accepting images from digital SLR cameras so please use a pro-level camera with at least 10 megapixels. This will provide a file size of at least 48MB at 8 bit. If cropping, your file should still be at least 48MB at 8 bit. For uncompressed file sizes of more than 48MB, we recommend that you do not interpolate your files to more than 55MB. This means you should make your JPEG file from an 8 bit TIFF file that is at least 48MB. If you have a camera that is capable of producing an uncompressed 8 bit, TIFF file size of over 48MB then leave it that size.

Quality image are accepted if they meet the following criteria:

- Images from SLR cameras with a minimum data capability of 10 megapixels.
- Shoot raw files, then convert to a 16-bit Tiff using proprietary software. No images shot in tiff or jpeg please.
- Turn off any in-camera sharpening tools.
- Do not over sharpen images in software.
- Interpolate images between 96-104mb (16 bit).
- Retouch all images at 100% magnification to eliminate all dust and artifacts.
- Color levels should be between 5,5,5 and 250, 250, 250.
- All images should be supplied in RGB mode (No CYMK or Grayscale).
- Layers, channels and paths are NOT ACCEPTABLE.
- Image needs to be correctly oriented - i.e. right reading.
- Convert to 48-52mb 8-bit, 11 x 17 inch JPEG file (or greater) before saving.
- Name image file(s) sequentially using alphanumeric characters ONLY (no special characters).
- Save as and submit JPEG Only (No Tiffs, bitmaps, PSD, EPS, RAW etc.).

Supplier shall deliver and package submitted Media in a way that provides them with adequate protection. Supplier agrees to submit all similar Media together in one submission. Supplier shall deliver to MB all necessary Products as defined on Exhibit C.

Captions:

Supplier will include with the submitted Media accurate and concise caption information, including where appropriate;

- location information (country, region, city, activity details, etc.);
- ethnicity and country of origins of all subjects;
- age of all subjects;
- details of any unique creation techniques;

Model Releases:

The Supplier agrees to supply documentation identifying with respect to the Media the notation "MR" or "Model Released", and the release number, if a model release exists.

The Supplier agrees to supply documentation identifying with respect to the Media the notation "PR" or "Property Released", and the release number, if a property release exists.

Where a model or property release exists, the Supplier agrees to supply MB with copies of all releases that have on them a clear cross reference to the Media.

The Supplier recognizes that it is necessary to use model releases that contain language making the model release valid for all future productions or shoots that the Supplier does with the individual model. If the model release does not contain this language, then the Supplier recognizes it is necessary to obtain model releases for each production or shoot, even if the Supplier already has model releases for certain individuals from a previous production or shoot.

All model releases must be valid and apply to the use of the Image or Clip for Royalty Free purposes. You should seek the advice of an attorney with respect to the model release you choose to use. To assist you in determining if your form of model release is broad enough to cover the licensing of the Media for royalty free licensing, the release should contain the following information:

- Description of Shoot
- Name of Supplier
- Name of Subject (legible)
- Date of Shoot
- Recite that consideration has been received
- It must be broad and cover "all purposes and in all media"
- Provide that it may be reproduced with any modifications,
- No model approvals should be required
- Release should be irrevocable
- Contain no restrictions of any kind
- Statement that release covers Supplier as well as licensees and assigns
- Statement relinquishing further claims by model/owner, including all claims to further payment
- Property releases must be signed by owner of property

Model releases should be filed so they may be supplied to MB immediately upon request.

EXHIBIT B

RF Product List

Product Names:

(Please Insert)

Delivery of Product:

1. Image or Clip Ids and quantities of Media per CD Title as described above
2. 1 high resolution Image file or in the case of Clips, a NTSC and PAL file copy of each master Clip contained on each CD Title
3. A Metadata Excel Sheet with Clip ID, Keywords, Original Origin Format, Shot Length Categories, and Descriptions, etc.