

WEBMASTER CONTENT LICENSE AGREEMENT

This Content License Agreement ("Agreement") is made and entered into by and between Pandemonium DVD, Inc., and the undersigned party who is receiving the right to use the licensed property (hereinafter the "Licensee.")

1. Definitions

a. "STUDIO Content" shall mean each and every DVD, Video Clip and Photo Gallery, and other works identified by title (each a "Title") or otherwise in Exhibit A, attached hereto and made a part hereof.

b. "Pay Per Minute", "Pay Per View", or "Video On Demand" shall mean the transmission or other dissemination of a digitized version of the STUDIO Content over the Internet through a website that allows a user or subscriber of the website to view a streamed version of a specific video title which is part of the STUDIO Content for a specific limited duration of time (for example, during a 24 hour period) subject to the prior paying of a fee or charge for the right to access and view said specific video title.

c. "Authorized Licensee Websites" shall mean only those adult membership or subscription-based websites owned and operated by Licensee that will contain Licensor's content. Licensee may create, at its discretion, additional Authorized Licensee Websites, and will provide a listing of all such sites upon request by the Licensor.

d. "Derivative Works" shall mean any and all modifications, re-creations, duplications, reproductions, digitized versions and compilations of STUDIO Content, whether produced by standard photographic or recording techniques, by computer or by any other device or process, now or hereafter known, discovered, invented or devised, regardless of whether any or all such modifications, recreations, duplications, reproductions, or compilations of STUDIO Content are produced intentionally or otherwise. Derivative Works include, without limitation, images in which parts or components of STUDIO Content are compiled or merged with other images or digital samples such as photographs or computer representations of body parts of other persons, and synthespian works derived from STUDIO Content or other Derivative Works.

e. "Effective Date" shall be the day on which this Agreement has been signed by both Licensor and Licensee.

2. License Grant. Subject to the terms and conditions herein, and so long as all payments required to be made by Licensee pursuant to this Agreement have been fully and timely made to Licensor and Licensee has, or continues to properly perform all of the other obligations, terms or conditions required of Licensee, Licensor hereby grants to Licensee for the term of this Agreement:

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Licensor Initials: _____ Licensee Initials: _____

- a. A limited, non-exclusive and non-transferable license to transmit the STUDIO Content over the Internet under the terms and conditions of this Agreement on Authorized Licensee Websites.
- b. Notwithstanding anything contained herein to the contrary, Licensee agrees that the STUDIO Content may not be used for Pay Per Minute, Pay Per View or Video On Demand purposes or such related purposes in any manner whatsoever, unless by written consent from STUDIO, and for an additional license fee.
- c. The STUDIO Content can be used for HTML design, logo design and banner design by the Licensee at no extra cost. The Licensee is allowed to resize, rename or change the format of the STUDIO Content.
- d. Licensee may provide up to 10% of each DVD, Video Clip, and/or Photo Galleries to their affiliates for promotional use i.e. MGP's, TGP's Free Hosted Galleries, etc; and up to an additional 10% for website design, promotional banners, buttons and other advertisements.
- e. The rights licensed hereunder do not extend to, or include the use of the STUDIO Content for any purpose or by any other means of transmission of dissemination, whether now existing or hereafter developed.
- f. Licensee acknowledges and agrees that the STUDIO Content is proprietary and constitutes valuable intellectual property of Licensors. Licensee acknowledges and agrees that as such, Licensee may only transmit the STUDIO Content as specifically authorized in this Agreement. Licensee agrees that Licensee shall at no time cause or enable any person to access, view, receive or otherwise use any portion of the STUDIO Content, directly or indirectly, over Licensee's Authorized Websites without first paying a fee for such access and viewing, except as provided for herein.
- g. Licensee agrees to include STUDIO's copyright and other notices which appear on or in the STUDIO Content on its websites. In connection with its distribution of the STUDIO Content to Users, Licensee shall use STUDIO's names, trademarks or other designations for the STUDIO Content but Licensee shall not imply that it is STUDIO or otherwise affiliated with STUDIO. No other right or license with respect to any trademark, trade name or other designation is granted under this Agreement.
- h. Licensee may not rent, lease, sublicense, give away, lend, transfer, authorize the use of or distribute the STUDIO Content, or create Derivative Works based upon the STUDIO Content in whole or part or in anyway transmit the STUDIO Content to any third party except as provided herein through the bonafide use of Authorized Licensee Websites. Further, and without limiting the generality of the foregoing, Licensee does not have the right and/or power to use, in any way, the STUDIO Content commercially for the benefit of a third party. Any use, in whole

or in part, of the STUDIO Content not expressly authorized in this Paragraph, or sub-parts thereof, is expressly prohibited.

i. Licensee further agrees and acknowledges that Licensor shall at all time retain all rights in any Derivative Works and that Licensee shall not under any circumstances retain any right or interest of any kind in any such Derivative Works.

j. Licensee shall not incorporate or use any of the STUDIO Content in any spam email, or any other unsolicited advertising materials, furthermore, Licensee shall not distribute any spam email or any other unsolicited advertising materials to any person, anywhere, which incorporates or uses any of the STUDIO Content.

k. Licensee is not allowed to trade any of the STUDIO Content for a link(s) on any other sites or any other service or product.

l. Licensee shall not permit any person under the age of 18 to access or use the STUDIO Content.

3. Consideration. Subject to the terms and conditions of this Agreement, Licensee agrees to pay a license fee for the STUDIO Content in the amount of \$_____.

4. Delivery. STUDIO shall make the STUDIO Content available to Licensee either electronically, or through the shipping of DVD's (subject to an additional fee) to the Licensee.

5. Ownership. Licensee agrees that the STUDIO Content is the sole and exclusive property of STUDIO and/or its licensors and agrees not to infringe or violate its or their copyrights and other proprietary rights therein. Ownership of all copyrights and other proprietary rights in the STUDIO Content is retained by STUDIO and its licensors. Except as expressly provided herein, STUDIO does not convey and Licensee does not obtain any right in the STUDIO Content or any data or materials utilized or provided by STUDIO in connection with the STUDIO Content. All rights not granted hereunder are expressly reserved to STUDIO and its licensors and information and content providers.

6. Term and Termination.

a. This Agreement shall commence on the Effective Date and shall remain in full force and effect (unless terminated earlier as provided below) for an initial term of 10 (10) years. The Licensee shall have the option to renew this Agreement for an additional period of Ten (10) years so long as at the time of such renewal the Licensee is not in default of the terms hereunder, and the Licensee shall pay a renewal fee of One Hundred (\$100) Dollars per title to Licensor.

b. This Agreement may be terminated by Licensor for cause immediately by written notice upon the occurrence of any of the following events:

- i. If the Licensee ceases to do business, or otherwise terminates its business operations or if there is a material change in control of the other; or
- ii. If the Licensee materially breaches any material provision of this Agreement and fails to cure substantially such breach within thirty (30) days of written notice describing the breach; or
- iii. If the Licensee becomes insolvent or seeks protection under any bankruptcy, receivership, trust deed, creditors arrangement, composition or comparable proceeding, or if any such proceeding is instituted against the other (and not dismissed within 90 days).
- iv. Use of the STUDIO Content except as specifically granted herein.

7. Limited Liability. LICENSEE AGREES THAT LICENSOR SHALL NOT BE LIABLE OR OBLIGATED UNDER ANY SECTION OF THIS AGREEMENT OR UNDER CONTRACT, NEGLIGENCE, STRICT LIABILITY OR OTHER LEGAL OR EQUITABLE THEORY FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES OR LOST PROFITS.

a. Releases, Warranty: Licensor warrants and represents that: it is either the authorized representative of the copyright owner, the producer and the owner of the Videos and/or Images and/or the authorized Licensor of all IMAGES licensed herein, free and clear of any claims from any other person or entity and that licensor is entitled to enter into this agreement and grant the license granted hereunder; that the IMAGES and Videos, do not contain any content which would violate the statutory time period of copyright laws for the period of the License granted herein; that licensor has obtained written, informed model releases on all photosets and has obtained photo identification for all such persons that were photographed since 1987 demonstrating that such persons were at least 18 years old at the time the Images and the Videos were shot, Licensor is the CUSTODIAN OF RECORDS, a such term is defined in 18 USC 2257, that records related to All Photographic Images licensed hereunder comply with 18 USC. 2257, and that licensor will provide all information required to be maintained pursuant to 18 USC 2257 as currently in effect and as may be amended from time to time to licensee at the time this Agreement is executed and as soon as practicable after any amendments to 18 USC 2257 are adopted but in no event later than forty five (45) days prior to the effective date of any such amendments.

b. Licensor Indemnification: In the event of any claim, demand, lawsuit or other legal proceeding against Licensee which arises from, occurs by reason of, or is connected with any actual or alleged breached of the foregoing warranty, then licensor shall fully indemnify and hold Licensee harmless from and against any and all losses, damages, awards, judgments, settlements, decrees and expenses (including without limitation attorney's fees and costs) arising from or connected with such claim, demand, lawsuit, or other legal proceeding.

c. Licensee Indemnification: In the event of any claim, demand, lawsuit or other legal proceeding against Licensor which occurs by reason of or is connected with any actual or alleged breach of the terms of this agreement by the Licensee, then Licensee shall fully indemnify and hold Licensor harmless from and against any and all losses, damages, awards, judgments, settlements, decrees and expenses (including without limitation attorney's fees and costs) arising fro, or connected with such claim, demand, lawsuit, or other legal proceeding.

8. Relationship of Parties. The parties hereto expressly understand and agree that each party is an independent contractor in the performance of each and every part of this Agreement, is solely responsible for all of its employees and agents and its labor costs and expenses arising in connection therewith. Licensee is in no manner associated with or otherwise connected with the actual performance of this Agreement on the part of STUDIO nor with STUDIO's employment of other persons or incurring of other expenses. Except as expressly provided herein, Licensee shall have no right to exercise any control whatsoever over the activities or operations of STUDIO.

9. Notices. Notices under this Agreement shall be sufficient only if personally delivered, delivered by a major commercial rapid delivery courier service or postage or charges prepaid, by certified or registered mail, return receipt requested to the mailing party at its addresses set forth on the first page above or as amended by notice pursuant to this subsection. If not received sooner, notice by mail shall be deemed received five (5) days after deposit in the U.S. mails.

10. Miscellaneous.

a. Prohibition Against Assignment. Neither this Agreement nor any rights, licenses or obligations hereunder, may be assigned by Licensee without the prior written approval of STUDIO.

b. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California without reference to conflict of law principles thereof.

c. Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior discussions, documents and agreements, and shall not be effective until signed by both parties. No modifications may be made except in a writing signed by both parties.

d. Waiver. No waiver of any breach of any provision of this Agreement shall constitute a waiver of any prior, concurrent or subsequent breach of the same or any other provisions hereof, and no waiver shall be effective unless made in writing and signed by an authorized representative of the waiving party.

e. Severability. In the event that any of the provisions of this Agreement shall be held by a court or other tribunal of competent jurisdiction to be unenforceable,

such provisions shall be limited or eliminated to the minimum extent necessary so that this Agreement shall otherwise remain in full force and effect.

f. Marketing. Understanding that it is in the best interests of both parties, Licensee shall make reasonable efforts to include in advertisements and promotions the availability of STUDIO Content on the Site.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the effective date. All signed copies of this Agreement shall be deemed originals.

PANDEMONIUM DVD, INC:

DATE: _____

Printed full name and title: _____

E-Mail Address _____

Signature: _____

LICENSEE:

DATE: _____

Printed full name and title: _____

E-Mail Address _____

Signature: _____

Company Name: _____

Address: _____

Line 2: _____

Office phone: _____

Fax: _____

EXHIBIT A

Pandemonium DVD Titles:

Authorized Licensee Websites

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____
8. _____
9. _____
10. _____
11. _____
12. _____
13. _____
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15. _____
16. _____
17. _____
18. _____
19. _____
20. _____

List additional websites below if any.