

GERO COMMUNICATIONS, INC.  
145 East 52nd Street  
New York, New York 10022

August 28, 1978

Messrs. Joseph Stern and  
William Devane  
c/o Richard M. Ticktin, Esq.  
555 Fifth Avenue  
New York, N.Y. 10017

RE: ARE YOU NOW OR HAVE YOU EVER BEEN

Gentlemen:

This will confirm our agreement as follows:

(1) You are the Purchasers pursuant to a certain Agreement dated April 12, 1975 with Eric Bentley, as Seller relating to the above property, a copy of which is attached.

(2) We intend to do an Off-Broadway or Middle-House Production within the next six months here in New York.

(3) You acknowledge that the theatrical stage production rights referred to in Paragraph 1(g)(iv) on page 3 of your said Agreement, held by Kathleen Johnson, Allan Miller and Joseph Stern have expired and will not be an impediment to our production of the Play.

(4) You represent that you still own the rights to the property pursuant to the Agreement and that you are not in default thereunder and that the Agreement still is, in all respects, valid.

(5) If your consent, pursuant to Paragraph 12 of your said Agreement with Eric Bentley, is required to our doing the Play here in New York, you hereby grant us said consent.

(6) In consideration of all of the above, we hereby agree as follows:

(a) We shall have six months from date to commence production of the Play here in New York.

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(b) If our production is not in rehearsal within said period, all of our rights hereunder shall terminate and expire, without any liability on either side to the other.

(c) We agree to pay you a royalty of 1% of gross receipts as same are defined in Exhibit A, annexed hereto, until recoupment of production expenses, and 1-1/2% thereafter. In the event that all other royalty participants waive royalties during losing weeks you agree to likewise waive your royalty.

(d) If our production shall run for 21 performances after and including New York opening, then we shall have six months after the close of the New York production (including any move to Broadway, if such move occurs) within which to negotiate a deal for the property involving the rights contained in the Agreement of April 12, 1975. We both agree not to unreasonably withhold our consent to any such deals.

(e) From the first receipts from any such deals you shall be repaid the sum of \$1,000 which you have paid to Bentley pursuant to Paragraph 10a of your Agreement; and we shall then jointly pay to Bentley from the first receipts the sum of \$10,000 referred to in Paragraph 10b of the Agreement.

(f) Thereafter all proceeds derived from the deals shall be divided between us, 50% to you and 50% to us.

(7) This is the entire agreement between us and may not be changed, terminated, or amended except by an instrument in writing signed by both of us.

(8) In the event of any disagreement arising hereunder, same shall be submitted to arbitration in the City of New York before one arbitrator of the American Arbitration Association. His decision shall be final and unappealable, and enforceable without confirmation by any Court.

GERO COMMUNICATIONS, INC.

By: Frank M. Gero

Frank Gero, President

AGREED:

Joseph Stern  
Joseph Stern

William Devane (JSD)  
William Devane