

This agreement is entered into as of March 27, 1989 by and between the BACK ALLEY THEATRE (the "producer"), a California non-profit corporation, 15231 Burbank Blvd., Van Nuys, California 91411 and Dion Alden Holt and Will Holt (the "authors"), whose designated address is 10232 Cresta Drive, Los Angeles, CA 90064 with respect to the short story written by author titled ZOEY AND HER RED DOTS (the "Property"). The parties hereby agree as follows:

1. Commission The Back Alley hereby commissions the authors to adapt the Property into a stage presentation for children to be between forty-five to fifty minutes in length, and include five original songs composed by Will Holt. The first draft will be finished by May 1, 1989; a final draft will be completed no later than June 1, 1989. Contemplated production dates are July 8 through August 19, 1989 on Saturdays and Sundays at 11 am and 1 pm on each date for a total of 26 performances.

2. Grant of Rights. The Author hereby grants to the Producer, subject to the terms and conditions hereof, the exclusive right to produce and present Author's play entitled ZOEY AND HER RED DOTS at the Back Alley Theatre, 15231 Burbank Blvd, Van Nuys, California, and/or in any other Equity Waiver theatre of no more than 99 seats.

3. Production Date. Although nothing contained herein shall be construed to obligate the Producer to produce the Play, the rights granted to the Producer hereunder will terminate unless the Producer has commenced rehearsals of production of the Play pursuant to paragraph 1 above on or before October 1, 1989. Upon payment of a further advance pursuant to paragraph 3 below, Producer will have until April 1, 1990 to have commenced rehearsals for production of the Play.

4. Advance. The Producer agrees to pay upon receipt of the first draft as a non-returnable advance against all monies payable hereunder the sum of \$300. The Producer further agrees to to pay upon receipt of the final draft as a non-returnable advance against all monies payable hereunder the sum of \$200. In the event that the Producer has not commenced rehearsals for production of the Play as of October 1, 1989 the Producer shall be required to pay no later than November 1, 1989 an additional non-returnable advance against all monies payable hereunder, in the sum of an additional \$250.

5. Royalties. The Producer shall pay the Authors 6% of of the gross per public performance of the Play at the Back Alley and/or any other theatre of less than 99 seats. All royalties shall be paid within seven (7) days after the end of the calendar week in which such performances are presented.

6. Duration of Rights. The Producer's production rights under paragraph 1 hereof shall continue only so long as the Producer shall present the Play in a continuous run, provided that if the Producer moves the Production of the Play from the Back Alley Theatre to another theatre of not more than 99 seats, and/or from another theatre of not more than 99 seats to still another theatre of not more than 99 seats, and if at the time the Play is so moved, there is a hiatus in performances of not more than eight (8) weeks to accommodate such move, such hiatus shall not be deemed an interruption of the continuous run.



7. Representations. Authors represent and warrant that: they are the sole authors and owners of the Play and all rights therein, they have the right to enter into this agreement and to grant the rights herein granted, and the Play does not violate or infringe upon any right of any kind or nature to anyone. Authors shall indemnify and hold Theatre and all persons connected therewith harmless from and against any liability, damage, cost, or expense (including reasonable attorneys' fees) occasioned by or arising out of any breach of this agreement by Author, or any claim, demand or action inconsistent with any agreement representation, grant or warranty made by Authors hereunder.

8. Reservation of Rights: Restrictions Thereon. All rights in and to the Play not expressly granted to the Producer hereunder are hereby reserved to the Authors for their use and disposition. The Authors represent and warrant that there are no outstanding agreements for professional or regional theatre productions of the Play in the United States; until the termination of the Producer's rights to present the Play in the United States hereunder, Author will not exercise, or authorize any person, form or corporation to exercise, in the United States any rights, except publication rights, in the Play without the written consent of the Producer, not to be unreasonably withheld.

9. Authors' Billing. The Authors shall receive billing as follows:

~~ZOEY AND HER RED DOTS~~ <sup>MAX + ZOEY -</sup>  
 by Dion Alden Holt <sup>ZOEY + MAX</sup>  
~~lyrics and music by Will Holt~~  
 MUSICAL <sup>Adaptation by Will Holt.</sup>

No one will receive a credit in type larger than that given to the authors, except the theatre and the title of the Play. Producer shall announce Authors as sole authors of the Play upon all its programs for the Play and in all publicity and advertising matter relating to the Play issued by Producer or under its control in which the name of any person appears. Producer shall have the right to use the Authors' name, likeness, and biographical resume in connection with all productions of the Play hereunder, and the Authors agree to make themselves available on reasonable notice for all press and media interviews to promote the Play hereunder.

10. Approvals. The Authors shall have joint approval with Back Alley's Producing Directors, Laura Zucker and Allan Miller, of cast and director such approval not to be unreasonably withheld.

11. Any claim, dispute or controversy arising between Producer and Author relating to this agreement shall be submitted to arbitration in Los Angeles, California pursuant to the rules of the American Arbitration Association.

12. All notices required hereunder or which either party desire to serve upon the other shall be in writing and shall be deemed given when addressed as set forth above and when delivered personally, or when deposited



(postage prepaid) in the United States mail (certified or registered, return receipt requested).

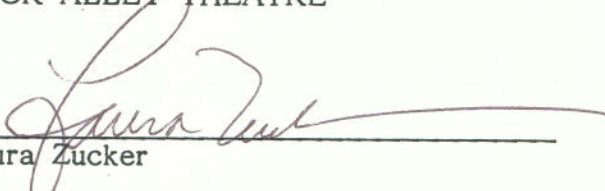
13. Producer shall not be deemed in default or breach of this agreement unless it receives written notice thereof from Author and such breach is not cured within 15 days thereafter.

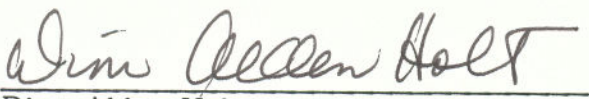
14. Theatre may assign or license this agreement or any part(s) thereof or any or all of its rights hereunder to any entity whatsoever, with the written consent of the Author, and this agreement shall be binding upon and shall inure to the benefit of all such assignees and licensees.


15. This agreement is entire, and all negotiations, understandings and all prior agreements are merged herein. This agreement cannot be modified except by a written instrument executed by Producer and Authors. A waiver of a breach of any provision hereof in any one instant shall not constitute a waiver of any subsequent breach. Nothing herein contained shall constitute a partnership between or joint venture by the parties hereto or constitute either party the agent or the employee of the other. This agreement is not intended for the benefit of any third party. Nothing in this agreement shall be construed so as to require commission of any act contract to law, and wherever there is any conflict between any provision of this agreement and any present or future statute, law, ordinance, or regulation, the latter shall prevail, but in such event the provision of this agreement affected shall be modified and limited only to the extent necessary to bring it within legal requirements. This agreement shall be governed by the laws of the state of California applicable to agreements entered into and to be wholly performed therein.

IN WITNESS WHEREOF the parties have executed this agreement as of the date and year first above written.

BACK ALLEY THEATRE

By   
 Laura Zucker

  
 Dion Alden Holt

  
 Will Holt