

Media On Demand License Agreement

This Media On Demand License Agreement (this “Agreement”) is entered into by and between Willette Acquisition Corp., DBA Allied Vaughn (“Allied Vaughn”), with primary headquarters at 7600 Parklawn Avenue, Suite 300, Edina, MN 55435, and _____ (“Client”), with primary headquarters located _____ (individually a “Party” and collectively, the “Parties”), effective on this _____ day of _____, 2021.

Marketing and Supply Services

I. Description of Service, Titles, Pricing, Payment, Distribution, Promotions

- a. **Overview and Definitions:** Client will make available Client’s audio-visual or audio only content (“Titles”) as listed in Exhibit A (attached hereto and incorporated by this reference), along with any and all other Titles delivered to Allied Vaughn by Client that Client otherwise notifies Allied Vaughn are available for sale under this Agreement. Allied Vaughn will manufacture and market and sell, on a DVD, Blu-ray, 4K or CD disc format (the “Products”), using its best efforts to maximize the sales of the Titles without limitation (i) for sale to consumers, (ii) to retailers for direct sale to consumers, (iii) to distributors who provide fulfillment for a retailer’s direct to consumer sales, and (iv) to rental outlets who provide Product for rent to consumers. (“the Sales Channel”).
- b. **Product Purchases and Delivery:** During the Term, Allied Vaughn will manufacture Products on demand to fulfill orders placed by its customers and will have the sole distribution rights for the Titles to all participating Sales Channels. Products ordered will be shipped within two business days, on average, from receipt of the order to addresses provided by its customers. Freight cost and freight company will be the responsibility of the retailer and/or Allied Vaughn, but in any case will not be the responsibility of Client.
- c. **Pricing:** Allied Vaughn will promote and sell the Titles to consumers, distributors and retailers focused on e-commerce sales. “Gross Sales Revenue” (as defined in Exhibit B, attached hereto and incorporated by this reference) received by Allied Vaughn from the sale of Titles, will be reduced by the Cost of Manufacturing (“Manufacturing Cost”), and Set Up Costs (“Set Up Costs”) (if any) as listed in Exhibit B, resulting in “Net Revenue”. Allied Vaughn will remit, as royalty to Client, a percentage of the Net Revenue as defined in Exhibit B.
- d. **Product Specification:** Products will typically include four-color disc print, four color printed case wrap, assembled into a retail style case, shrink wrapped and packed into an outer mail pack selected by Allied Vaughn, with a packing list and shipment confirmation provided to the Sales Channel.
- e. **Content delivery specification;** It is the responsibility of Client to deliver metadata, and media and graphic files to Allied Vaughn that meets Allied Vaughn content specifications. These specifications may change from time to time, such changes to be provided to Client in writing.
- f. **Systems Setup:** Client will provide appropriate systems support to Allied Vaughn during Titles setup on the Allied Vaughn system.
- g. **Returns and Replacement:** Allied Vaughn will replace any defective Products identified by the Sales Channel .
- h. **Reports and Payment:** Allied Vaughn will submit to Client monthly reports of sales by Title and will pay Client the royalty for each such Title, as set out in Section I (c) above, sixty (60) days after each calendar quarter end.
- i. **Customer Service:** Allied Vaughn will respond to inquiries from its customers regarding shipment status, defective Product replacement and other issues.
- j. **Title Storage:** Allied Vaughn may perform a semi-annual review on all Client Title SKUs and evaluate their sales. Underperforming Title SKUs (for example, Titles that sell less than 10 (ten) Products per 12 (twelve)

month period) will be removed from the Allied Vaughn Media On Demand (“MOD”) system. Client may elect to have the SKU retained on the system for a storage charge of \$3.00/gig per 6 months.

- k. **Marketing & Promotions:** The Parties agree that from time to time promotional programs may be undertaken that would reduce the Gross Sales Revenue for specific titles deemed to be part of such promotional programs. The Titles, promotional programs, and royalty rates will be agreed upon in advance by the Parties in writing (which may be by way of e-mail).

II. **Term and Termination:**

- (a) The initial term of this Agreement will be three (3) years commencing on the Effective Date (the “Initial Term”) and will automatically renew for successive three (3) year terms (each a “Renewal Term”) at the end of the Initial Term or the then-current Renewal Term, unless either Party notifies the other Party in writing, at least sixty (60) days in advance of the end of the Initial Term or the then-current Renewal Term, of its intention to terminate this Agreement. The Initial Term and any Renewal Term will be collectively hereafter referred to as the “Term”.
- (b.) **Withdrawal of a Title:** Client, may, in its sole reasonable discretion, withdraw Titles from distribution if Client determines that the Title will and/or may infringe on any legal, actionable rights of any third party and/or violate any copyright laws.

III. **Independent Contractors:**

Nothing contained herein constitutes a partnership between or joint venture by the Parties hereto, or constitutes either Party the agent of the other. Neither Party shall hold itself out contrary to the Terms of this Agreement and neither Party will become liable by any representation, act or omission of the other contrary to the provisions hereof. The Agreement is not for the benefit of any third party and will not be deemed to give any right or remedy to any such party, whether referred to herein or not.

IV. **Representations, Warranties, Remedy and Limitation of Liability:**

- a. Services set forth in this Agreement will be performed within generally accepted industry standards.
- b. Client represents and warrants to Allied Vaughn as follows: (i) Client owns or controls the distribution rights to the Title(s) set out in this Agreement, and has the requisite power and authority to enter into this Agreement and to consummate the transactions and perform its obligations contemplated hereby; (ii) there are no existing claims in and into the Titles and that the rights of owners of copyrights in the Title(s), (iii) neither the Title(s) nor any part thereof, nor any materials contained therein, nor the exercise by Allied Vaughn of any right herein granted, violates or will violate, or infringes or will infringe, any trademark, trade name, contract, agreement, license, copyright (whether common law or statutory), patent, literary, artistic, dramatic, personal, private, civil or property right, or right of privacy or any law or regulation or other right whatsoever, or slanders or libels, any person, firm, corporation or association whatsoever; (iv), Client will ensure that all materials delivered by Client to Allied Vaughn shall be fully cleared for Allied Vaughn’s use as authorized hereunder. Including payments relating to the music public performance rights, Client shall be responsible for any and all payments (including all profit participations, music payments and royalties) to third parties who appeared in or otherwise rendered services in connection with the Titles or who are otherwise entitled to payment in respect of the Titles (including without limitation, any union or guild). Allied Vaughn shall not under any circumstances be responsible for any such payments, (v) Client has obtained all necessary permissions and consents from all applicable third parties as may be required for the full and unlimited exercise and enjoyment by Allied Vaughn of all of the rights granted and purported to be granted to Allied Vaughn herein; and Client’s performance of its obligations under this Agreement shall not violate any law or regulation. For the avoidance of doubt, the Client agrees that the indemnification set out herein applies to any and all matters arising prior to, during the Term and after execution of the Agreement.

- c. The warranty herein is exclusive and in lieu of all other warranties, whether express or implied, including the implied warranties of merchantability and fitness for a particular purpose.
- d. **Exclusive Remedy:** For any breach of the above warranty, Client's exclusive remedy, and Allied Vaughn's entire liability shall be the repeat of the service. To safeguard the Client's content; the masters submitted to Allied Vaughn for manufacturing should not be the original "edited" master. Regardless of the type of master submitted to Allied Vaughn, Client agrees that possible master damage is a normal risk of the manufacturing process and Allied Vaughn is only responsible for replacing a damaged master via duplicating a new master from Client's edited master. Allied Vaughn is not responsible for reconstructing Client's edited master. Under no circumstances shall Allied Vaughn be liable hereunder for any loss of revenue; lost profits, lost capital, overhead, claims of third parties relating to service interruption, or any special, indirect, incidental or consequential damages of any type, even due to negligence. As between the Parties, a Party's total liability in connection with the performance of this Agreement shall not exceed the aggregate fee actually paid to the other Party hereunder for the specific service that is in dispute.
- e. **Client Indemnification:** Client agrees to indemnify, defend and hold harmless Allied Vaughn and its affiliated entities, partners and agents, and the officers, directors and employees of all the foregoing, from and against any and all third party claims, damages, liabilities, costs and expenses (including reasonable outside attorneys' fees) arising out of the Client's unauthorized use of intellectual property or arising out of the Client's breach or alleged breach of any representation, warranty or undertaking made by Client hereunder.
- f. **Allied Vaughn Indemnification:** Allied Vaughn agrees to indemnify, defend and hold harmless Client and its affiliated entities, partners and agents, and the officers, directors and employees of all the foregoing, from and against any and all third party claims, damages, liabilities, costs and expenses (including reasonable outside attorneys' fees) arising out of the breach or alleged breach of any representation, warranty or undertaking made by Allied Vaughn hereunder.
- g. **Force Majeure:** The Parties will not be liable for any delay in performance under this Agreement caused by any "act of God" or other cause beyond its control and without fault or negligence (a "delaying cause"), including delays or failure of transportation agencies, public enemy, the elements, war insurrection, pandemic, shortage of labor or material, government, electric power damage or accident to machinery or equipment. Notwithstanding the language of this Section, Allied Vaughn shall be paid any Manufacturing Costs and Set-Up Fees actually performed prior to the delay, unless Allied Vaughn would not have been paid based upon any other provision of this Agreement or applicable law.
- h. **Survival:** The terms and conditions of this Agreement regarding confidentiality, indemnifications, representations, warranties, payments and all other that by their sense and context are intended to survive the execution, delivery, performance, termination or expiration of this Agreement survive and continue in full force and effect
- i. **Default / Termination for Uncured Material Breach:** Neither party shall be in default hereunder unless such party fails to cure any material default or breach of this Agreement within 10 business days after the date of service of written notice from the non-defaulting party specifying the exact nature of the claimed default or breach. For the avoidance of doubt, this provision in no way limits a party's indemnification obligations hereunder. If either Party fails to cure a material breach as set forth above, the non-breaching Party may, by written notice to the breaching Party, elect to terminate this Agreement. Such termination shall be effective as of the date of such notice, unless the notice specifies a later date, in which case the termination date shall be such later specified date ("Termination Date").

IV. Applicable Law and Exclusive Venue for Dispute Resolution:

The Parties hereto agree that this Agreement has been entered into in the State of Minnesota, that it requires performance in the State of Minnesota and that it shall be governed by Minnesota law, further, that any controversy or dispute between the Parties in any way arising out of this contract, or its performance or representations leading to its execution, or in any way relating to the relationship between the Parties hereto, that cannot be resolved amicably will be submitted to binding arbitration, to be held in Hennepin County, Minnesota USA, in accordance with the rules of the American Arbitration Association.

VI. Additional Provisions: Each Party hereto represents and warrants to the other that:

- a. It has the right, power and authority to enter into and to fully perform this Agreement.
- b. When executed and delivered, this Agreement shall constitute a valid and binding obligation of such Party.
- c. It has not entered and shall not enter into any agreement or arrangement that could reasonably be expected to limit the performance of its obligations, or diminish or impair the rights of the other Party.
- d. It is, and during the Term of this Agreement shall remain, in full compliance with all applicable treaties and other international agreements, laws, statutes, rules, regulations, ordinances and orders.
- e. **CONFIDENTIALITY:** *While operating under this Agreement, the Parties will potentially have access to proprietary information regarding processes, intellectual property, procedures, and practices of the other Party. Allied Vaughn and Client mutually agree to hold such information in the strictest confidence, sharing such proprietary material with no other parties, unless specifically agreed to in writing by each Party. Such proprietary material includes but is not limited to:*
 - i. Content of Client’s data files, addresses and names of each Party’s customers. , or other data contained in order files.
 - ii. Technical specifications, procedures, and techniques used to fulfill orders, including format and content of XML and data formats No approvals, consents, authorizations, permissions, licenses, certificates or permits (collectively, “Approvals”) of any third party are needed for the performance of its obligations hereunder that have not been obtained and do not remain in full force and effect as of the Agreement date and for the terms of the Agreement.

VII. Assignment:

Neither Party may assign this Agreement without the prior written consent (such consent not to be unreasonable withheld) of the other Party except that either Party may, without the consent of the other Party, assign the Agreement to a controlled subsidiary of that Party or a purchaser of all or substantially all of that Party’s assets used in connection with performing this Agreement, provided the assigning party guarantees the performance and causes the assignee to assume in writing all the obligations of the assignor under this Agreement. The rights and obligations of this Agreement shall bind and benefit any successors or assigns of the Parties.

VIII. Notices:

Notices required under this Agreement shall be delivered as provided in the Agreement when Addressed to:

If to Allied: Doug Olzenak, President (doug.olzenak@alliedvaughn.com)
With a Copy to: Chuck Reinhart, CFO (chuck.reinhart@alliedvaughn.com)
7600 Parklawn Avenue, Suite 300
Edina, MN 55435

If to Client: _____

_____ (Name and e-mail contact)

IX Signatures:

By their signatures below, the Parties have caused their duly authorized representatives to execute this agreement as of the date shown with the signature.

WILLETTE ACQUISITION CORP.
DBA ALLIED-VAUGHN

By: _____ Date: _____
Title: President

Client:
By: _____ Date: _____
Name: _____
Title _____

EXHIBIT A
Titles

EXHIBIT B

Royalty Calculation Model

“Gross Sales Revenue” means all monies collected by Allied Vaughn from sales of Titles. “Gross Sales Revenue” minus (i) “Manufacturing Costs” (as set forth below), equals “Net Revenue”.

“Net Revenue” for each Title is split **50% to the Client / 50%** to Allied Vaughn.

Manufacturing Costs	No Copy Protection	With Copy Protection
DVD 5 (first disc)	\$2.90	\$3.20
DVD 5 (subsequent disc)	\$2.57	\$2.87
DVD 9 (first disc)	\$4.50	\$4.80
DVD 9 (subsequent disc)	\$3.57	\$3.87
BD 25 (first disc)	\$4.50	\$4.80
BD 25 (subsequent disc)	\$3.95	\$4.25
BD 50 (first disc)	\$6.50	\$6.80
BD 50 (subsequent disc)	\$6.10	\$6.40
BD 66 - 4K (first disc) *	\$6.50	\$6.80
BD 66 - 4K (subsequent disc) *	\$6.10	\$6.40
BD 100 - 4K (first disc) *	\$8.50	\$8.80
BD 100 - 4K (subsequent disc) *	\$8.10	\$8.40
CD A (4/4 2 or 4 Panel Insert/Tray Card)	\$2.70	NA
CD (Subsequent CD in Same Case)	\$2.40	NA
CD (Over 2+ discs- Packaged in DVD Retail Case/Wrap)	\$2.40	NA

*** 4K titles subject to pre-publishing sales review.**

The Manufacturing Costs shall apply to all program Titles under the Agreement.

Set-up Costs. For each Title delivered for distribution under this Agreement, a \$60.00 per title Set Up Cost will be deducted from Client’s Royalties.

Set-Up Costs Reduction. For Titles delivered that meet the Allied Vaughn content delivery specifications with regard to metadata, media files and graphic files, \$25.00 of the Set-Up Cost for each Title that meets these specifications will be waived, so that the reduced Set-Up Cost will be \$35.00 .per Title.

The Set-Up Costs shall apply to all program Titles under the Agreement.