AGREÈMENT

COME NOW STUDIO CITY INCORPORATED HOLDING, by and through Larry D. Faw, as Chairman, (hereinafter referred to as STUDIO CITY) and ANDRE NORTON, by and through Ingrid Zierhut, as Personal Manager, and do enter into this agreement on the following terms and conditions.

RECITALS

WHEREAS STUDIO CITY has an existing contractual production base and team located at the Disney/MGM Studios at Lake Buena Vista Florida and

WHEREAS STUDIO CITY desires to produce feature motion pictures, and

WHEREAS ANDRE NORTON is a world renowned author whose works are suited for adaption to production in the form of feature length motion pictures, and

WHEREAS STUDIO CITY desires to produce as a feature length motion picture the ANDRE NORTON novel previously published under the title WRAITHS OF TIME,, the parties do agree as follows:

TERMS AND CONDITIONS

- 1. ANDRE NORTON hereby conveys to STUDIO CITY the exclusive option to produce her novel WRAITHS OF TIME as a feature length motion picture. Upon payment of the first installment of the purchase price as set forth herein, STUDIO CITY shall acquire the right to commence production of the motion picture, and to commercially exploit all rights associated with the motion picture including but not limited to the right to cause the distribution and exhibition thereof in all media whether now known or invented in the future, and to exercise and commercially exploit all spinoff and ancillary product rights of any and every kind, throughout the universe in perpetuity.
- 2. As additional consideration for this agreement ANDRE NORTON hereby grants unto STUDIO CITY the exclusive first option to produce any other creative work authored by, or controlled by, ANDRE NORTON. In the event that STUDIO CITY desires to purchase the rights to any other such work, STUDIO CITY agrees to enter into a separate purchase agreement for said rights, on terms not less favorable to ANDRE NORTON than the terms contained herein.
- 3. As consideration for the rights granted herein, STUDIO CITY agrees to compensate ANDRE NORTON and or INGRID ZIERHUT as follows:
- a. STUDIO CITY shall pay to ANDRE NORTON the total sum of Thirty Five Thousand Dollars (\$35,000.00) as the Purchase Price for the rights granted herein.

Said Purchase Price shall be payable in three installments. The first installment of Ten Thousand Dollars (\$10,000.00) shall be payable upon execution of this agreement. The second installment of Fifteen Thousand Dollars (\$15,00.00) shall be payable upon the first day of principal photography. The third installment of Ten Thousand Dollars (\$10,000.00) shall be payable at the time producer receives the initial answer print.

- b. As additional consideration for the rights granted herein, STUDIO CITY shall pay to ANDRE NORTON residual compensation equal to five percent (5%) of STUDIO CITY's net profit from all sources in perpetuity. A Statement of Account shall be furnished commencing in the first calendar quarter in which STUDIO CITY has a net profit, accompanied by payment for all sums then due, and a statement shall be furnished each calendar quarter thereafter.
- 4. ANDRE NORTON hereby assigns all compensation set forth in this agreement, directly and personally to INGRID ZIERHUT for the sole use and benefit of INGRID ZIERHUT and not in any trustee or fiduciary capacity.
- 5. ANDRE NORTON, and INGRID ZIERHUT, as her authorized Manager and Agent, hereby represent that they are authorized and empowered to enter into this agreement, and that the rights conveyed herein shall not contravene or impair the rights of any third parties.
- 6. This agreement is entered into in the State of Florida and shall be governed by the laws thereof. In the event of any dispute over the terms and conditions or enforcement of this agreement, said dispute shall be submitted to binding arbitration before the American Arbitration Association. The venue of all such proceedings shall be in Orange County, Florida.
- 7. This is the entire agreement of the parties, and may not be modified except in a writing signed by the parties.

AGREED AND ACCEPTED this

day of

1996.

ANDRE NORTON

STUDIO CITY INC. HOLDING

Andra Norton

By: Larry D. Faw

Its: Chairman

INGRID ZIERHUT

Jugard A Diechart