

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION**

IN RE:)	
)	Case No. 10-50494
FAIR FINANCE COMPANY,)	
)	Chapter 7
Debtor.)	
)	Judge Jessica E. Price Smith

**TRUSTEE’S MOTION FOR AUTHORITY TO
ENTER INTO AMENDMENT TO PURCHASE AGREEMENT**

Brian A. Bash (the “**Trustee**”), the duly-appointed chapter 7 trustee for Fair Finance Company (the “**Debtor**”) in this case, hereby moves the Court (the “**Motion**”) for entry of an order authorizing him to enter into an amendment (the “**Amendment**”) to that certain Purchase and Assignment Agreement (the “**Purchase Agreement**”).¹

This Motion is a follow-up to: (i) the *Trustee’s Motion for Authority to Sell Stock Free and Clear of Liens, Claims and Encumbrances Pursuant to 11 U.S.C. § 363 and Waiver of Any Applicable Stay Under Bankruptcy Rule 6004* [ECF No. 2305] (the “**Stock Sale Motion**”); and (ii) the *Trustee’s Motion for Authority to Sell Script Free and Clear of Liens, Claims and Encumbrances Pursuant to 11 U.S.C. § 363* [ECF No. 2360] (the “**Script Motion**”). In the Stock Sale Motion, the Trustee sought authority to sell the estate’s stock in National Lampoon for \$750,000.00 and the rights to a certain film script (the “**Script**”). In the Stock Sale Motion, the Trustee told the Court he would seek approval to sell the Script after the stock sale closed. The Script Motion sought such approval. The Court approved the Trustee’s Stock Sale Motion [ECF No. 2312] (the “**Stock Sale Order**”) and the Trustee’s Script Motion [ECF No. 2367] (the “**Script Order**”).

¹ A copy of the Purchase Agreement is attached to this Motion as Exhibit A.



105049420090200000000001

Unfortunately, the global COVID-19 pandemic has drastically changed the entertainment landscape, particularly with respect to the demand for in-theater movies. In light of the changing market, the Trustee believes the Amendment is necessary to obtain the greatest value for the Script. In support of this Motion, the Trustee states as follows:

JURISDICTION

1. The Court has jurisdiction over this Motion pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

2. The statutory bases for the relief requested herein relating to the sale of estate assets are 11 U.S.C. §§ 363(b) and (f).

FACTUAL AND PROCEDURAL BACKGROUND

I. The Estate Owns the Script as a Result of the Stock Sale.

3. Timothy Durham (“**Durham**”) owned the Debtor before it went into bankruptcy. Durham used the Debtor to run a Ponzi scheme through which he enriched himself and various entities he owned and controlled.

4. Durham was also the Chief Executive Officer and President of National Lampoon. Durham used the Debtor’s money to buy the National Lampoon stock for himself and to make large “loans” to National Lampoon.

5. On February 8, 2010, certain creditor-investors filed a petition for involuntary bankruptcy against the Debtor. The Debtor consented to the entry of an order for relief (ECF Nos. 35, 40), and the United States Trustee appointed Brian A. Bash as the Trustee in the Debtor’s bankruptcy case (ECF No. 41).

6. After his appointment, the Trustee filed a number of lawsuits against Durham and Durham-affiliated companies that received “loans” from the Debtor, including an adversary proceeding against Durham and other Fair Finance officers and directors captioned *Bash v. Fair Finance Company, et al.*, No. 13-cv-2098 (N.D. Ohio) (the “**McKibben Litigation**”).

7. On December 17, 2014, this Court approved a settlement between Durham and the Trustee that settled the Trustee’s claims against Durham in the McKibben Litigation (ECF No. 1645). As part of that settlement, Durham assigned substantially all of his remaining assets to the Trustee, including all of Durham’s interest in the National Lampoon stock (ECF Nos. 1499, 1568, 1641).

8. On May 3, 2017, the Trustee filed the Stock Sale Motion, requesting authority to sell the National Lampoon stock to another National Lampoon shareholder in exchange for \$750,000.00 and the rights to the Script (the “**Stock Sale**”). The Stock Sale was part of a larger transaction involving the sale of substantially all of National Lampoon’s assets (the “**Lampoon Asset Sale**”), which enabled National Lampoon to fully pay the \$3 million note that it owed to the estate.

9. In the Stock Sale Motion, the Trustee articulated that if the Stock Sale was approved and the Trustee reached a deal to sell the Script, the Trustee would file a separate motion seeking Court approval to sell the Script.

10. The Court entered the Stock Sale Order approving the Stock Sale on May 12, 2017.

11. The Stock Sale and the Lampoon Asset Sale both closed. The Trustee received \$3,750,000.00 from those sales and now owns the Script.

12. Thereafter, the Trustee negotiated the sale of the Script. Those negotiations resulted in the sale of the Script pursuant to the terms the Purchase Agreement, by and between the Trustee and Rowland Stone Media LLC (the “**Buyer**”), a third-party media company.

13. The Trustee subsequently filed the Script Motion on July 31, 2017 seeking authority to enter into the Purchase Agreement.

II. The Terms of the Script Sale.

14. Under the terms of the Purchase Agreement, the Trustee sought to sell the Script to the Buyer in exchange for (i) a cash payment of \$150,000.00, with \$75,000.00 due within ninety days of the Purchase Agreement’s effective date and \$75,000.00 due within one year of the effective date, (ii) 3% of the budget costs of the film in excess of \$150,000.00 (the “**Budget Bonus**”), (iii) the first \$250,000.00 in certain revenue or tax credit investments from the film, (iv) 7.5% of the Defined Proceeds (as that term is defined in the Purchase Agreement) of the film on the same basis as other participating persons that share revenues derived from the film (the “**Percentage of Defined Proceeds**”), and (v) certain other customary contingent payments from any future TV series, spin-offs and ancillary projects. Of the consideration being offered in exchange for the Script, \$150,000.00 was guaranteed regardless of whether the film was made, \$250,000.00 had a high likelihood of becoming due if the film is made, and the remaining payments were contingent payments that may or may not be material and, thus, play no more than a minimal role in the Trustee’s evaluation of the consideration offered for the Script.

15. Subsequent to the Script Order, the Buyer paid the \$150,000.00 cash payment in full.

III. The Terms of the Amendment.

16. The expected demand for in-theater entertainment has drastically decreased with the onset of the global COVID-19 pandemic. The production of movies and series for streaming presents different costs than the production of traditional in-theater movies. In order to maximize value, certain terms of the Purchase Agreement must be amended to account for the real possibility that the Script will be developed into a movie or series made available through streaming services rather than traditional theaters. This necessity resulted in the negotiation of the Amendment.

17. The Amendment is necessary and appropriate given the expected decline in the consumption of in-theater entertainment. Among the chief revisions, the Amendment: (i) deletes the Budget Bonus and inserts a provision that provides if the Picture (as that term is defined in the Purchase Agreement) has a general theatrical release in the U.S. to at least 250 playdates, prior to the commercial release in any other medium, and provided the on-going direct cost budget is in excess of \$10,000,000.00, the Buyer will pay the Trustee a theatrical release bonus of \$150,000.00, (ii) reduces the Executive Producer Fee (as that term is defined in the Purchase Agreement) from \$250,000.00 to \$50,000.00, (iii) decreases the Trustee's share of the Percentage of Defined Proceeds 7.5% to 5%, (iv) provides for additional Merchandise Royalties (as that term is defined in the Purchase Agreement) of 5% reducible (as a result of Merchandise Royalties payable to members of the cast) pro-rata with other parties entitled to a Merchandise Royalty prior to such reduction to not less than 2.5% (payable to the Trustee and any members of the cast whose name or likeness are used in such merchandise) if the Picture is initially produced as a theatrical film or if a sequel or theatrical remake is produced, and (v) revises the structure of passive payments by more fully detailing payouts in the event the Script is developed for something other than theaters.

The entirety of the changes to the Purchase Agreement are reflected in the Amendment, a copy of which is attached to this Motion as Exhibit B.

RELIEF REQUESTED

18. The Trustee seeks entry of an order (i) authorizing the Trustee to enter into the Amendment to the Purchase Agreement, (ii) authorizing the Trustee to take such action related to the Amendment that may be appropriate or necessary, and (iii) granting such other and further relief as is just and proper.

BASIS FOR RELIEF

19. Bankruptcy Code section 363(b) authorizes a trustee to sell property of the estate. 11 U.S.C. § 363(b). A trustee can sell estate property free and clear of another's interest when non-bankruptcy law allows a sale of the property free and clear of such interest. 11 U.S.C. § 363(f). While section 363 does not lay out a specific standard for assessing a trustee's motion to sell estate property, "[o]rdinarily, the position of the trustee is accorded deference, particularly where business judgment is entailed." *In re Engman*, 395 B.R. 610, 625 (Bankr. W.D. Mich. 2008) (*quoting In re Lahijani*, 325 B.R. 282, 288–89 (B.A.P. 9th Cir. 2005)).

20. In the Trustee's business judgment, the Amendment yields the highest and best value for the Trustee's interest in the Script as it allows for the necessary flexibility to adjust to the changing entertainment market in light of the continuing COVID-19 pandemic.

CONCLUSION

WHEREFORE, the Trustee respectfully requests the entry of an order, substantially in the form attached to this Motion as Exhibit C, (i) authorizing the Trustee to enter into the Amendment to the Purchase Agreement, (ii) authorizing the Trustee to take such action related to the

Amendment that may be appropriate or necessary, and (iii) granting such other and further relief as is just and proper.

Dated: September 2, 2020

Respectfully submitted,

/s/ Michael A. VanNiel

Michael A. VanNiel (0073948)

Adam L. Fletcher (0085201)

BAKER & HOSTETLER LLP

127 Public Square, Suite 2000

Cleveland, OH 44114

Telephone: 216.621.0200

Facsimile: 216.696.0740

Email: mvanniel@bakerlaw.com

afletcher@bakerlaw.com

Counsel for the Trustee

EXHIBIT A

PURCHASE AGREEMENT

As of July 20, 2017

Brian A. Bash, Chapter 7 Trustee of
Fair Finance Company
C/o Baker & Hostetler, LLP
Key Tower
127 Public Square, Suite 2000
Cleveland, Ohio 44114-1214

Re: **"National Lampoon's Dead Serious"/Purchase and Assignment Agreement**

Ladies/Gentlemen:

This will confirm and set forth the terms and conditions of the agreement ("Agreement") between Rowland Stone Media LLC (for itself and its successors, assigns and licensees) ("Company") and Brian Bash, Chapter 7 Trustee of Fair Finance Company ("Owner") with respect to the assignment and assumption of that certain Assignment and Assumption Agreement ("NL Assignment") dated as of June 30, 2017 between National Lampoon, Inc. ("NL") and Gerry Daigle ("Daigle") on the one hand, and Owner on the hand (attached hereto as Exhibit "A" and incorporated herein by this reference) which includes but is not limited to the Property (as defined in the NL Assignment) and (iii) any and all rights related thereto. All capitalized terms not defined herein shall have the same meaning ascribed to them in the NL Assignment. In the event of a conflict between this Agreement and the NL Agreement, this Agreement shall control.

COMPANY AND OWNER ACKNOWLEDGMENTS: Company and Owner hereby acknowledge that: (a) Owner has provided, and Company acknowledges receipt of (i) fully-executed Certificates of Authorship dated February 23, 2017 between NL and Daigle on the one hand and each of Kluft, Hettinger and Donnes and (ii) the fully-executed NL Assignment (collectively "Chain of Title Documents") and (b), if Company does not pay the amount set forth in Paragraph 2 (a) below and Company has not cured such failure to pay pursuant to Paragraph 11(c) below, Owner may, at its option send written notice to Company and rescind this Agreement, as if the Agreement had never been executed;

1B. **CONDITION PRECEDENT:** All of Company and Owner's obligations hereunder are subject to satisfaction of the following condition precedent ("Condition Precedent"):

(a) Bankruptcy Court approval of this Agreement, the NL Assignment, the License Agreement, and the sale of any and all rights related thereto.

1. **PURCHASE PRICE:** In full and complete consideration for the purchase of the Property and the assignment of the NL Assignment and the promises, representations and warranties made by Owner hereunder, Company shall pay Owner the greater of (i) One Hundred Fifty Thousand Dollars (\$150,000), and (ii) the amount equal to three percent (3%) of one hundred percent (100%) of the in-going "Direct Cost Budget" (i.e. excluding bond, contingency, financing costs, indirect overhead, legal and bond fees and any payments made to Owner) (the "Purchase Price"), payable as follows:

(a) Seventy-Five Thousand Dollars (\$75,000) upon the later of (i) ninety (90) days from execution of this Agreement and (ii) satisfaction of the Condition Precedent;

(b) Seventy-Five Thousand Dollars (\$75,000) twelve (12) months from execution of this Agreement; and

(c) Provided the amount of the Purchase Price exceeds One Hundred Fifty Thousand Dollars (\$150,000), the balance shall be paid to Owner upon commencement of principal photography of the Picture. By way of example only, if the Direct Cost budget is Ten Million Dollars (\$10,000,000) then three percent (3%) of the Direct Cost Budget would be Three Hundred Thousand Dollars (\$300,000), and therefore an additional One Hundred Fifty Thousand Dollars (\$150,000) would be due and payable upon commencement of principal photography of the Picture.

2B. **EXECUTIVE PRODUCER FEE:** If the Picture is produced and provided Owner is not in uncured material breach of this Agreement, Owner shall be entitled to an executive producer fee ("Executive Producer Fee") in the amount of Two Hundred Fifty Thousand Dollars (\$250,000) payable upon the later of commencement of principal photography of the Picture and the closing of the production loan for the Picture. For the avoidance of doubt, the Executive Producer shall not be applicable against Owner's Defined Proceeds participation as set forth in Paragraph 3(a) below.

3. **CONTINGENT COMPENSATION:** If the Picture is produced and released and if Owner is not in an uncured material breach of this Agreement, Owner shall be entitled to the following ("Contingent Compensation"):

(a) **Defined Proceeds Participation:** A sum equal to Seven and One-Half percent (7.5%) of one hundred percent (100%) of the "Defined Proceeds" of the Picture shall be defined, accounted for and paid on a no less favorable basis than any other Defined Proceeds participant, and in no event will the fees payable by Company to NL under the License Agreement be applied against the Owner's Defined Proceeds participation set forth in this Paragraph 3(a).

(b) **Merchandising Royalties:** With respect to any merchandising item using any National Lampoon trademark, including but not limited to the name "National Lampoon," "National Lampoon's" and/or the National Lampoon logo (collectively, "NL Trademark") (other than use of any NL Trademark as part of the so-called billing block and/or credit list for the Picture and other than using any NL Trademark on soundtrack covers (including the front and back covers and liner notes), covers of novelizations, tie-in editions of underlying literary properties (in print and/or audio cassette form), printed programs and booklets), Company shall pay Owner a pro-rata share (payable among Owner and any members of the cast of the Picture whose names or likenesses are used in the particular merchandising item involved) of seven and one half percent (7.5 %) of one hundred percent (100%) of the gross receipts ("Merchandising Revenue"), if any actually received by Company or Company's licensing agent from the licensing of such merchandising rights, payable within sixty (60) days of Company's receipt of such receipts. For the avoidance of doubt, the Merchandising Revenue shall be defined and payable to Owner on a no less favorable basis than NL.

(c) **No Guarantee:** Company makes no representation or warranty that the Picture will be produced, or if the Picture is produced, that the proceeds of the Picture shall be sufficient to generate any Contingent Compensation. Nothing contained herein shall be construed to obligate Company to take any action to maximize revenues or gross receipts or to give Owner any right, title or interest of any kind in or to the revenues or gross receipts derived from the Picture. Nothing contained in this Agreement shall be construed as creating a fiduciary relationship between Company and Owner. The Contingent Compensation shall not constitute a lien or claim on the Picture or on any revenues or gross receipts derived therefrom.

3B. **PASSIVE PAYMENTS:** If the Picture is produced and released and if Owner is not in uncured material breach of this Agreement, Owner shall be entitled to the following subject to the conditions specified:

(a) For Theatrical Sequels and Remakes: If Company produces a feature length theatrical sequel or remake of the Picture, an amount equal to one-half (1/2) of the cash compensation actually paid to Owner pursuant to Paragraph 2 above, and, as contingent compensation, one-half (1/2) of the percentage of Defined Proceeds to which Owner was entitled pursuant to Paragraph 3(a) above.

(b) For Direct to Video/Video On Demand, Direct to Internet and/or Mobile Device: If Company produces a feature length direct to video/video on demand, direct to internet and/or direct-to-mobile device sequel or remake of the Picture, the greater of Fifty Thousand Dollars (\$50,000) and one percent (1%) of the in-going of the in-going direct cash budget (excluding all interest, overhead charges, completion bond fees, contingency amounts, and contingent payments) of such direct to video/video on demand, direct to internet or mobile device sequel or remake.

(c) For Prime Time Network (i.e., CBS, NBC, ABC, FBC), HBO and Showtime Television Series: If Company produces an episodic television series based on the Picture, the following royalty for each new program of such series which is produced and broadcast on U.S. primetime network free television: Two Thousand Five Hundred Dollars (\$2,500) per 30 minute program; Four Thousand Five Hundred Dollars (\$4,500) per 60 minute program and Five Thousand Five Hundred Dollars (\$5,500) for any program over 60 minutes. For each of the U.S. free television reruns (as such term is defined in the WGA Agreement) of a program for CBS, NBC, ABC and FBC totaling 5 reruns, Company shall pay an additional amount equal to twenty percent (20%) of the applicable royalty. For non-primetime network, digital, and non-network series, Owner shall be entitled to receive one-half (1/2) of the otherwise applicable royalty.

(d) For Prime Time Network (i.e., CBS, NBC, ABC, FBC), HBO and Showtime Made-For-“Television” Movies (“MOW”) and Mini-Series: If Company produces a feature length or mini-series length television sequel or remake of the Picture intended for initial broadcast on U.S. primetime network free television, Ten Thousand Dollars (\$10,000) per telecast hour, to a cap of Eighty Thousand Dollars (\$80,000). For non-primetime network, digital and non-network MOW's and mini-series, Owner shall be entitled to receive one-half (1/2) of the otherwise applicable payment.

(i) If the MOW or mini-series has a theatrical exhibition in the United States, or the United States and Canada, prior to its initial broadcast on primetime free network television in the United States, Owner shall be entitled to an additional sum equal to One Hundred Percent (100%) of the applicable compensation paid or payable to Owner pursuant to Paragraph 3B(d) above, payable within thirty (30) days after the date of the initial theatrical release of the applicable MOW or mini-series in the United States;

(ii) If the MOW or mini-series has a theatrical exhibition in the United States, or the United States and Canada, subsequent to its initial broadcast on primetime free network television in the United States, Owner shall be entitled to an additional sum equal to Fifty Percent (50%) of the applicable compensation paid or payable to Owner pursuant to Paragraph 3B(d) above, payable within thirty (30) days after the date of the initial theatrical release of the applicable MOW or mini-series in the United States;

(iii) If the MOW or mini-series has a theatrical exhibition outside the United States, or outside the United States and Canada (as applicable), prior or subsequent to its initial broadcast on primetime free network television in the United States, Owner shall be entitled to an additional sum equal

to fifty percent (50%) of the applicable compensation paid or payable to Owner pursuant to Paragraph 3B(d) above, payable within thirty (30) days after the date of the initial theatrical release of the applicable MOW or mini-series outside the United States; and

(iv) In no event shall Owner be entitled to receive more than the total additional amount of a sum equal to One Hundred Percent (100%) of the compensation paid or payable to Owner pursuant to Paragraph 3B(d) above, with respect to any theatrical exhibition of the applicable MOW or mini-series.

(e) Payments: Unless specified otherwise, payments due under Paragraphs 3B(a) and 3B(b), shall be payable on commencement of principal photography. Television payments shall be payable upon the later of initial U.S. broadcast, cablecast, or cybercast (as applicable) or receipt of the license fee or in the case of rerun payments, sixty (60) days after the applicable initial distribution.

4. **ASSIGNMENT AND ASSUMPTION**: Subject only to the payment of the Purchase Price, Owner hereby irrevocably sells, grants and assigns to Company exclusively and absolutely throughout the universe in perpetuity, all right, title and interest in and to the NL Assignment and any and all rights related thereto. Except as provided herein, Company assumes and agrees to perform all executory obligations set forth in the NL Assignment (including all Chain of Title Documents) which are required to be performed subsequent to the date Owner executes and delivers this Agreement and are expressly undertakes all obligations to pay any residuals that may be due to the Writer.

5. **REPRESENTATIONS AND WARRANTIES**: Owner represents, warrants and agrees that:

(a) To Owner's actual knowledge without any duty to investigate, or from any constructive knowledge that may be deemed to have occurred upon the receipt of written notice under the NL Assignment:

(i) the Property and all other rights and privileges granted or to be granted to Company hereunder are and shall at all times be free and clear of any liens, claims, charges or encumbrances, except for those that may be existing in the Chain-of-Title-Documents.

(ii) there are no claims, litigation or other proceedings have heretofore been asserted and/or brought and no claims, litigation or proceedings are pending or threatened relating to the Property and/or to any of the other rights and privileges granted or to be granted to Company hereunder.

(iii) the Property enjoys, and will enjoy, either statutory or (to the extent it may exist) common law copyright protection in the United States and all other countries adhering to the Berne and Universal Copyright Conventions, and the rights granted to Company hereunder are and will be exclusive in all such countries.

(iv) the License and the NL Marks may be used, now and perpetually, as a trademark in connection with the Picture, any subsequent productions of the Picture and any and all ancillary rights related thereto, including but not limited to any advertising, promotions and merchandising in connection therewith throughout the world without infringing any third party rights and without any additional consideration due to Owner other than as provided in the License Agreement.

(b) To the extent the Representations and Warranties in Section 3(g) of the NL Assignment are true and correct, Owner is the sole and exclusive owner of the Property, and of all other rights and privileges granted or to be granted to Company hereunder and Owner has full right, power and authority

to make and perform this Agreement without obtaining the consent or approval of any person or entity (other than as contemplated by the Condition Precedent).

(c) Owner has not heretofore in any way exercised, disposed of, or optioned the Property or any part thereof. Without limiting the generality of the foregoing, to the Owner's knowledge, the Property has not previously been performed, exploited or exhibited as a motion picture, television production, play or in any other form of audio-visual production, and Owner has not granted any rights or licenses to any third party to do so.

(d) Owner has not done or omitted to do, nor will Owner do or omit to do, any act or thing which would impair, encumber or diminish Company's full enjoyment of the Property and all other rights and privileges granted and to be granted to Company under this Agreement.

(e) Owner has not entered into any agreement (written or oral, implied or express) with any third party which relates to the Picture or the production of the Picture nor has Owner made any promises to any third party in connection with the Picture or the production of the Picture.

(f) All sums due and payable to date to any third party by Owner pursuant to the Chain-of-Title Documents have been timely paid, and all other obligations set forth in the Chain-of-Title Documents required to be kept and performed by Owner after the date of the Assignment and before the date hereof have been kept or performed, and no other amounts are due and payable to under the Chain-of-Title Documents.

6. **INDEMNITY:**

(a) General: Owner shall indemnify and hold harmless Company, its parent, subsidiaries, successors, licensees and assigns and any of the their agents, employees or representatives against any and all liability, damages, costs and expenses, including, without limitation, reasonable outside attorneys' fees and costs, in connection with any third party claim or action arising out of the breach or alleged breach of any of Owner's representations, warranties, agreements, undertakings or certifications herein. Notwithstanding the foregoing, Company hereby acknowledges the following limitations with respect to Owner's indemnity obligation: (a) Owner's knowledge is a based solely on Owner's review of the Chain-of-Title Documents, and his actual knowledge without any duty to investigate, but will include such constructive knowledge Owner would be deemed to receive by written notice under the NL Assignment, and (b) Company's recourse to Owner relating to a claim for a breach of this Agreement will be limited to offsetting the related damages or costs from payments that may otherwise be due and payable under this Agreement by Company to Owner, and Company will not have any personal recourse against Owner for any amount unless due to the fraud or willful misconduct of Owner. Company shall indemnify and defend Owner against any and all liability, damages, costs and expenses, including reasonable attorneys' fees and costs, in connection with any third party claim or action (other than those arising out of a breach of Owner's representations, warranties, agreements, undertakings or certifications hereunder; Owner's contractual breach; or out of any criminal or tortious acts by Owner) arising from Company's breach of any representation, warranty, undertaking, agreement or certification of Company hereunder; material incorporated into the Picture by Company; and Company's development, production, distribution or exploitation of the Picture (including the exploitation of ancillary rights therein).

(b) Notice of Claim/Control: Company and Owner shall, upon presentation or institution of any claim or action covered by the foregoing indemnity, promptly notify the other of the claim or action, giving the details thereof. All aspects of the defense of such claims or actions, whether as part of any litigation, negotiation or otherwise (including, without limitation, any decision regarding settlement), shall be controlled by Company. Company shall be free to use appropriately experienced counsel of

Company's choice in connection therewith (which experience Owner acknowledges shall include Julia Scott). Company's control shall not diminish Owner's obligations under Paragraph 6(a). Owner shall cooperate in the defense of any claim or action for which indemnification is provided hereunder and shall have the right (at Owner's expense) to have counsel present in connection therewith, provided such counsel fully cooperates with Company's counsel and does not interfere with the reasonable handling of the claim or action by Company.

7. **ADDITIONAL DOCUMENTS:** Concurrently with the satisfaction of the Condition Precedent Owner will execute the "Short Form Assignment" attached hereto as Exhibit "B" ("Assignment"). Company shall date the Assignment as of the date of this Agreement and shall file such Assignment with the U.S. Copyright Office upon Company's final payment of the Purchase Price. Owner shall execute and deliver any further and additional documents consistent herewith (including but not limited to an executive producer agreement if required by any financier or distributor of the Picture) or take any action which Company may deem reasonably necessary to carry out and effectuate any and all of Company's rights hereunder. If Owner fails to execute and deliver to Company any such documents or if Owner fails to take any such action within five (5) business days (reducible to three (3) business days if exigencies so require) of Company's notice or request therefor, then Owner hereby irrevocably appoints Company as Owner's attorney-in-fact to execute such documents and take any such actions. Said appointment is coupled with an interest and shall be irrevocable. Company shall provide Owner with copies of any document so executed; provided, that failure to provide such copies shall not constitute a breach of this Agreement by Company.

8. **CREDIT:** If the Picture, or any subsequent production produced by Company (if any) as released is substantially based upon the Property and Owner is not in material uncured breach of this Agreement, subject to applicable guild and union restrictions (including obtaining any required waivers) and insurance carrier parameters, Company shall accord Owner two (2) executive producer credits the individuals of whom shall be identified by Owner in writing to Company not later than commencement of principal photography of the Picture, or any subsequent production produced by Company (if any) in a form to be designated by Company. No casual or inadvertent failure by Company to accord such credit, nor the failure for any reason by third parties to comply with the provisions of this Paragraph, shall be deemed a breach hereof by Company; provided, that, after receipt by Company of written notice from Owner of any failure by Company to accord credit, Company shall use reasonable efforts to cure prospectively any such failures which are economically practicable to cure. All third party licensees with whom Company is in contractual privity shall be advised of the foregoing credit provisions in writing; provided, however, any failure by such licensees to accord credit as aforesaid shall not be deemed a breach of this Agreement by Company. All other aspects of Owner's credit and the granting of credits to other persons and entities shall be in determined in Company's sole discretion.

8B. **NAME, LIKENESS AND BIOGRAPHY:** Owner hereby grants Company the right to use Owner's name, voice, logo, likeness and biographical data (Company shall use the biographical data submitted by Owner, provided that Owner submits to Company a factually accurate biography promptly following Company's request therefor) in connection with the production, exhibition, advertising, publicity and exploitation of the Picture and any other works that embody all or part of the Property and subsidiary, ancillary and derivative rights therein (including but not limited to merchandising).

9. **RIGHT OF ASSIGNMENT:** This Agreement and any and all of Company's rights hereunder (including rights under copyright) may be licensed and/or assigned and relicensed and reassigned by Company and its licensees and assigns in whole or in part to any persons or entities. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors, and assigns. In the event of any assignment of this Agreement and/or of any of Company's rights in and to Property and in the event the assignee assumes all of Company's

obligations hereunder in writing, Company shall be and is hereby released from all further obligations to Owner hereunder; provided, however, that unless such assignment is to a so-called major or "mini-major" (as those terms are commonly understood in the motion picture and/or television industries at the time) motion picture or television production company or television network or distribution company or Company affiliate or other similarly financially capable party (such capability to be judged as of the time of assignment), Company shall remain secondarily liable for its payment obligations to Owner under this Agreement, except with respect to percentage participations, if any. Owner shall not have the right to assign Owner's rights and obligations hereunder; provided that Owner may assign Owner's rights to receive any compensation payable to Owner hereunder to a third-party; provided a Notice of Irrevocable Authority in Company's usual form shall be executed by Owner and by the assignee and delivered to Company. Any such assignment shall at all times be subject to all of Company's rights hereunder

10. **NOTICES/PAYMENTS**: Unless otherwise provided hereunder, all notices, requests, demands or other communications to any of the parties hereto shall be in writing and shall be delivered by hand, by nationally recognized overnight courier (e.g., FedEx, UPS, or DHL), by facsimile, or by electronic transmission via email with either a Tagged Image Format File ("TIFF") or Portable Document Format ("PDF") attached, and shall be deemed to have been received by the party to which sent (a) on the day of delivery if delivered by hand or overnight courier, or (b) one (1) Business Day after being sent by facsimile or email, if the sending party receives a confirmation of successful transmission issued by sender's facsimile machine, or a confirmation email by the receiving party, or (c) on such later date if the recipient gives verifiable proof of receipt on such later date. A courtesy copy of all notices shall be sent to Baker & Hostetler at the below address. Payments shall be made by check payable to the order of Brian A. Bash, Chapter 7 Trustee and sent to the below address. All payments shall be deemed made when placed in U.S. mail, or sent by courier or messenger. Until further notice, the addresses of the parties shall be as follows or such other address as advised subsequently by either party in writing:

OWNER

Brian A. Bash,
Chapter 7 Trustee
C/o Baker & Hostetler LLP
Key Tower
127 Public Square, Suite 2000
Attn: Brian A. Bash
E-Mail: Bbash@bakerlaw.com
Phone: 216-621-0200

With a courtesy copy to:

Baker & Hostetler LLP
Key Tower
127 Public Square, Suite 2000
Attn: Kelly Burgan
E-Mail: Kburgan@bakerlaw.com
Phone: 216-621-0200

COMPANY

Rowland Stone Media LLC
PO Box 251802
Los Angeles, CA 90025
Attn: Steve Wolsh
E-Mail: stevew@WithAnOproductions.com
Phone: (310) 948-3532

With a copy to:

Law Office of Julia Scott, APC
433 North Camden Drive, Suite 600
Beverly Hills, CA 90210
Attn: Julia Scott, Esq.
E-Mail: julia@juliascottlaw.com
Phone: (310) 279-5142

11. **REMEDIES:**

(a) **Injunctive Relief Against Company:** In the event of a breach of any of Company's obligations under this Agreement, the damage (if any) caused to Owner thereby will not be irreparable or otherwise sufficient to give rise to a right of injunctive or other equitable relief. Owner's rights and remedies in the event of a breach of this Agreement by Company are limited to the right, if any, to recover damages in accordance with the dispute resolution provisions set forth below. Owner shall neither seek nor be entitled to any equitable relief to restrict or interfere with Company's right to develop, produce, distribute, market or exploit the Picture or any other productions produced pursuant to this Agreement (including, but not limited to, derivative works) and the ancillary rights therein or to otherwise exploit or exercise any of the rights granted to Company hereunder.

(b) **Company's Remedies:** The rights and privileges granted and agreed to be granted to Company pursuant to this Agreement are of a special unique, unusual extraordinary and intellectual character, making them difficult to replace and giving them a peculiar value, the loss of which cannot be reasonably compensated in damages in an action at law. If Owner shall breach any provision of this Agreement, Company will be caused irreparable damage and, therefore, Company shall be entitled as a matter of right, at its election, to enforce this Agreement and all of the provisions hereof by injunction or other equitable relief.

(c) **Company's Breach/Owner's Breach:** No failure on the part of Company to perform any of its obligations hereunder shall be deemed a breach of this Agreement unless and until Company fails to cure such failure within thirty (30) calendar days (fifteen (15) business days for failure to make payment when due) after written notice by Owner to Company of such failure to perform. No failure on the part of Owner to perform any of its obligations hereunder shall be deemed a breach of this Agreement unless and until Owner fails to cure such failure within thirty (30) calendar days after written notice by Company to Owner of such failure to perform.

(d) **No Waiver:** All remedies shall be cumulative and the exercise of one shall not preclude the exercise of any other remedy. A waiver of any breach shall not constitute a waiver of any prior or subsequent breach.

12. **CONFIDENTIALITY/PUBLICITY:** Owner shall not, without Company's prior written approval, (a) issue or authorize the publication of any news story, publicity or publicity materials relating primarily to the Picture, or Company, (b) make any derogatory or knowingly false statements concerning the Picture, Company or any officers or employees of Company, (c) disclose any confidential information regarding Company or the Picture (including, but not limited to, the screenplay or other material, the release plan, the budget, or the terms of any contracts), or (d) encourage any other individual to do any of the foregoing; provided, however, Owner may issue personal publicity primarily concerning Owner in which the Picture, Company or any officers or employees of Company are mentioned incidentally, so long as such references are not derogatory or knowingly false and do not contain any confidential information.

13. **GOVERNING LAW/DISPUTE RESOLUTION:** All controversies, claims or disputes between the parties to this Agreement arising out of or related to this Agreement or the interpretation, performance or breach thereof, including, but not limited to, alleged violations of state or federal statutory or common law rights or duties, and the determination of the scope or applicability of this agreement to arbitrate ("Dispute"), except as set forth in Paragraphs 13(b), (c) and (d) below, shall be resolved according to the procedures set forth in Paragraph 13(a) below which shall constitute the sole dispute resolution mechanism hereunder:

(a) Arbitration: All Disputes shall be submitted to final and binding arbitration. The arbitration shall be initiated and conducted according to either the JAMS Streamlined (for claims under \$250,000) or the JAMS Comprehensive (for claims over \$250,000) Arbitration Rules and Procedures, except as modified herein, including the Optional Appeal Procedure, at the Los Angeles office of JAMS, or its successor ("JAMS") in effect at the time the request for arbitration is made (the "Arbitration Rules"). The arbitration shall be conducted in Los Angeles County before a single neutral arbitrator appointed in accordance with the Arbitration Rules. The arbitrator shall follow California law and the Federal Rules of Evidence in adjudicating the Dispute. The parties waive the right to seek punitive damages and the arbitrator shall have no authority to award such damages. The arbitrator will provide a detailed written statement of decision, which will be part of the arbitration award and admissible in any judicial proceeding to confirm, correct or vacate the award. Unless the parties agree otherwise, the neutral arbitrator and the members of any appeal panel shall be former or retired judges or justices of any California state or federal court with experience in matters involving the entertainment industry. Judgment upon the award may be entered in any court of competent jurisdiction. The parties shall be responsible for payment of their own attorneys' fees in connection with any proceedings under this Paragraph 13(a).

(b) Injunctive Relief: Notwithstanding the foregoing, either party shall be entitled to seek injunctive relief unless otherwise precluded by any other provision of this Agreement, such as in Paragraph 11(a), in the state and federal courts of Los Angeles County.

(c) Other Matters: Any Dispute or part thereof, or any claim for a particular form of relief (not otherwise precluded by any other provision of this Agreement) that may not be arbitrated pursuant to applicable law may be heard only in a court of competent jurisdiction in Los Angeles County.

(d) Guild Arbitration: To the extent that an applicable guild agreement requires that a Dispute be resolved pursuant to such guild's arbitration provisions, or expressly permits either party to elect such resolution and such party elects such resolution, such Dispute shall be resolved in accordance with the applicable guild's arbitration provisions.

(e) Governing Law/Jurisdiction and Venue: This Agreement shall be governed and construed in accordance with the laws of the State of California applicable to contracts entered into and fully performed therein. The parties hereby submit to the exclusive jurisdiction and venue of the local, state and federal courts located in Los Angeles County.

14. **ADDITIONAL INSURED**: Company agrees to name Owner as additional insureds on Company's errors and omissions and general liability insurance policies with respect to the Picture, or any subsequent production produced by Company (if any) in accordance with the terms and subject to the conditions and limitations of such policies, including subrogation, for so long as, and only to such extent as such policy is carried by Company; provided, that such additional coverage shall be available at no additional cost to Company and no substantial additional deductible. The provisions of this Paragraph shall not, however, be construed so as to limit or otherwise affect any obligation, representation or agreement by Owner hereunder.

15. **DVD**: Provided that Owner is not in uncured material breach of this Agreement, upon written request, at such time as DVDs of the Picture, and any subsequent production (if applicable) are generally commercially available, Owner shall be entitled to receive one (1) DVD of the Picture at no charge.

16. **DOMESTIC PREMIERES/FILM FESTIVALS**: Provided that Owner is not in uncured material breach of this Agreement, the 2 individuals receiving the executive producer credits as designated by Owner pursuant to Paragraph 10 above shall each receive ten (10) invitations to the U.S.

premiere of the Picture, and any subsequent production produced by Company (if any) and all film festivals at which the Picture is exhibited, if any.

17. MISCELLANEOUS:

(a) Entire Agreement: This Agreement sets forth the complete understanding between Owner and Company with respect to the subject matter hereof, and all prior agreements have been merged herein, whether written or oral, and may not be modified except by a written instrument signed by all parties hereto. Owner acknowledges that no representation or promise not expressly contained in this Agreement has been made by Company or any of its agents, employees or representatives.

(b) Severability: If there is any conflict between any provision of this Agreement and any present or future statute, law, ordinance, regulation or collective bargaining agreement the latter shall prevail; provided, that the provision hereof so affected shall be limited only to the extent necessary and no other provision shall be affected.

(c) Relationship of Parties/Counterparts: This Agreement is not a partnership between or joint venture of the parties hereto and neither party is the agent of the other. This Agreement is not for the benefit of any third party, whether or not referred to herein. This Agreement may be signed in counterpart, each of which shall be deemed an original, but all of which together shall constitute the Agreement.

(d) Joint and Several Liability: If a party to this Agreement consists of more than one person or entity, the obligations of such party hereunder shall be joint and several between and among such persons and entities, such that each such person or entity shall be fully responsible for such party's full performance of all of its obligations under this Agreement.

If the foregoing accurately reflects your understanding of our agreement, please confirm by signing in the space provided below.


Very truly yours,

Rowland Stone Media LLC

By: 

Its: Managing Partner

ACCEPTED AND AGREED TO:


Brian Bash, Chapter 7 Trustee of
Fair Finance Company

LOJS 7.20.17

EXHIBIT "A"
NL ASSIGNMENT

ASSIGNMENT AGREEMENT - "NATIONAL LAMPOON'S DEAD SERIOUS"

This Agreement ("Agreement") is entered into as of June 30, 2017, between Brian Bash, Chapter 7 Trustee of Fair Finance Company for itself and its assigns and successors ("Company") and Gerald Daigle ("Daigle") and National Lampoon, Inc. ("NL") (Daigle and NL collectively, "Owner").

1. CONDITIONS PRECEDENT: Company's obligations hereunder are subject to: (a) approval by Company of the chain-of-title to the "Property" (as defined in Paragraph 2 below), (b) receipt by Company of an executed copy of this Agreement, and (c) receipt by Company of executed copies of Certificates of Authorship from each of Alan Donnes ("Donnes"), Jon Kluft ("Kluft"), and Will Hettinger ("Hettinger"), and each dated February 23, 2017 (collectively, the "Certificates of Authorship").

2. OWNER ASSIGNMENT: For good and valuable consideration, receipt of which is hereby acknowledged, Owner hereby irrevocably sells, grants and assigns to Company exclusively and absolutely throughout the universe, in perpetuity, the following all right, title and interest in and to:

(a) Property: The screenplay "National Lampoon's Dead Serious" and any and all titles, themes, stories, dialogue and all of the other contents thereof, and the characters therein, and all translations, adaptations, and versions thereof, whether now existing or hereafter created, together with, and subject to the License (as defined below) (the "Property");

(b) License: NL hereby grants to Company a non-exclusive license ("License") to use (or assign the right to use or sublicense) NL trademarks and/or marks in connection with the Picture (as more specifically set forth in the License Agreement (as defined below), any subsequent productions of the Picture and any and all ancillary rights related thereto (including but not limited to any advertising, promotions and merchandising in connection therewith) throughout the universe in perpetuity, in all media, whether now known or hereinafter devised, including but not limited to the name "National Lampoon," "National Lampoon's" and/or the National Lampoon logo (collectively, "NL Mark") pursuant to the License Agreement set forth in **Exhibit "A"** attached hereto and incorporated herein by this reference, as if Company is Licensee and such document had been duly executed by Company (as Licensee) and NL (the "License Agreement").

(c) Documents: All contracts, agreements, assignments and instruments of every kind and character under which Owner may have heretofore acquired or may hereafter acquire any right, title or interest in or to the Property ("Documents"), specifically including but not limited to:

(i) the Certificates of Authorship, and

(ii) the License Agreement

(d) All Other Rights: Any and all rights and interests of every type and nature heretofore and hereafter acquired by Owner with respect to the Property and/or pursuant to the Documents.

Notwithstanding such assignment (a) as between Owner and the Company, Owner shall remain solely liable to the third parties to any and all Documents for any obligations that may not have been performed as of the date of this Agreement, or for any obligations that may arise thereunder after the date of this Agreement solely upon the passage of time, (b) Owner will use commercially reasonable efforts to cause Jerry Lewis and JAS Productions, Inc. to fulfill the intent of the terms set forth in **Exhibit "B"**, but shall not be required

to make any remaining payments to JAS Productions, Inc. that have not yet been made, and (c) Company shall have the right to retain (or have paid to it from any assignee of, or sub-licensee, to the License) the first \$250,000 of NL Mark fees payable pursuant to the License Agreement that would otherwise be due and payable to NL (or its assign or successor) under the terms of the License, and if such amounts are not retained or paid directly to the Company from its assigns or successors, NL (or it assigns or successor) shall pay that amount upon receipt from then Licensee or sub-licensee.

3. REPRESENTATIONS AND WARRANTIES: Owner represents, warrants, and agrees that:

(a) The Property is original with and was written solely by Donnes, Kluft, and Hettinger and Owner acquired all of Donnes, Kluft and Hettinger's right, title and interest in and to the Property under the Certificates of Authorship.

(b) The Property has not been published or registered for copyright; Owner has not entered into any agreement(s) with third parties for the publication or dramatic production of the Property.

(c) Neither the Property, nor any part or element thereof: (i) infringes upon or violates the personal or property rights or any other rights of any person or entity (including, without limitation, the rights of copyright, trademark, privacy and publicity); or (ii) contains any element or material which in any manner constitutes a libel, slander or other defamation of any person or entity (solely with respect to non-copyright and non-trademark related claims, the representations and warranties specified in this subparagraph (c) are made to the best of Owner's knowledge, including that which Owner should have known in the exercise of reasonable prudence);

(d) The Property is wholly fictional and is not based in whole or in part on any actual individual, whether living or dead, or any "real life" incident.

(e) The Property and all other rights and privileges granted or to be granted to Company hereunder are and shall at all times be free and clear of any liens, claims, charges or encumbrances;

(f) No claims, litigation or other proceedings have heretofore been asserted and/or brought and no claims (to the best of Owner's knowledge, including that which Owner should have known in the exercise of reasonable prudence and due inquiry), litigation or proceedings are pending or threatened relating to the Property and/or to any of the other rights and privileges granted or to be granted to Company hereunder;

(g) Owner is the sole and exclusive owner of the Property, and of all other rights and privileges granted or to be granted to Company hereunder and Owner has full right, power and authority to make and perform this Agreement without obtaining the consent or approval of any person or entity;

(h) No part of the Property is in the public domain (except for minor and incidental material therein);

(i) Owner has not heretofore in any way exercised, disposed of, or optioned the Property or any part thereof. Without limiting the generality of the foregoing, the Property has not previously been performed, exploited or exhibited as a motion picture, television production, play or in any other form of audio-visual production, and no rights have been granted or licensed to any third party to do so;

(j) The Property enjoys, and will enjoy, either statutory or (to the extent it may exist) common law copyright protection in the United States and all other countries adhering to the Berne and

Universal Copyright Conventions, and the rights granted to Company hereunder are and will be exclusive in all such countries;

(k) Owner has not done or omitted to do, nor will Owner do or omit to do, any act or thing which would impair, encumber or diminish Company's full enjoyment of the Property and all other rights and privileges granted and to be granted to Company under this Agreement;

(l) Owner has not entered into any agreement (written or oral, implied or express) with any third party which relates to the Picture or the production of the Picture nor has Owner made any promises to any third party in connection with the Picture or the production of the Picture;

(m) All sums due and payable to date to any third party by Owner pursuant to the Documents have been timely paid and all other obligations set forth in the Documents required to be kept and performed by Owner on or before the date hereof have been kept or performed, and no other amounts are due and payable to under the Documents;

(n) Pursuant to the License, the NL Marks may be used, now and in perpetuity, as a trademark in connection with the Picture, any subsequent productions of the Picture and any and all ancillary rights related thereto, including but not limited to any advertising, promotions and merchandising in connection therewith throughout the world without infringing any third party rights and without any additional consideration due to Owner other than as provided in the License Agreement.

4. ASSUMPTION: Except as provided herein, Company assumes and agrees to perform all executory obligations set forth in the Documents which are required to be performed subsequent to the date Owner executes and delivers this Agreement.

5. INDEMNIFICATION: Owner agrees to defend, indemnify and hold harmless Company, its parent, affiliated and subsidiary companies, and its and their successors, assigns, licensees, representatives and agents from and against any and all claims, demands, causes of action, costs and expenses (including, without limitation, reasonable attorneys' fees), losses, damages and judgments arising out of or resulting from any breach by Owner of any of Owner's representations, warranties, covenants or agreements contained herein.

6. RIGHT OF ASSIGNMENT: Company may assign this Agreement and/or any of its rights hereunder including, without limitation, any of its rights in the Property to any person or entity, all without further consideration to, or consent from, Owner. Owner acknowledges that each such assignee will have the full and direct right to enforce this Agreement against Owner as if such assignee had been in direct contract with Owner under this Agreement

7. PARTIES BOUND: This Agreement shall bind and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and assigns, as applicable.

8. FURTHER DOCUMENTATION: Each party shall execute and deliver such further instruments as may be reasonably required to carry out or effectuate the purposes and intent of this Agreement. Concurrently with the execution of this Agreement, Owner will execute and deliver to Company a Short-Form Assignment in the form of **Exhibit "C"** attached hereto. Upon execution of this Agreement by Company, Owner shall deliver to Company originals of the Documents.

9. REMEDIES: In the event of any breach of this Agreement by Company, Owner's remedies shall be limited to an action for damages in accordance with Paragraph 13 below and Owner hereby waives any right or remedy in equity, including any right to rescind Company's rights and interest in and to the Property and Documents or to enjoin, restrain or interfere with the distribution, exploitation or exhibition of any motion picture or other production based on the Property and any advertising and publicity relating thereto.

10. NO OBLIGATION: Nothing contained in this Agreement shall obligate Company to use, exercise or exploit the Property or the License Agreement or any rights therein or to develop, produce, exhibit, advertise, release and/or distribute any motion picture or any other work based on the Property, or to continue any of the foregoing if commenced.

11. NOTICES/PAYMENTS: Unless otherwise provided hereunder, all notices, requests, demands or other communications to any of the parties hereto shall be in writing and shall be delivered by hand, by nationally recognized overnight courier (e.g., FedEx or DHL), by facsimile, or by electronic transmission via email with either a Tagged Image Format File ("TIFF") or Portable Document Format ("PDF") attached, and shall be deemed to have been received by the party to which sent (a) on the day of delivery if delivered by hand or overnight courier, or (b) one (1) Business Day after being sent by facsimile or email, if the sending party receives a confirmation of successful transmission issued by sender's facsimile machine, or a confirmation email by the receiving party, or (c) on such later date if the recipient gives verifiable proof of receipt on such later date. A courtesy copy of all notices shall be sent to Gerald Daigle, Jr. at the below address. All payments shall be deemed made when placed in U.S. mail, or sent by courier or messenger. Until further notice, the addresses of the parties shall be as follows or such other address as advised subsequently by either party in writing:

OWNER

National Lampoon, Inc.
1438 N. Gower Street
Box 8
Los Angeles, CA 90028
Attn: Gerald Daigle Jr.
Telephone: (310) 484-2838
Fax: (877) 452-2838

With a courtesy copy to:

Gerald Daigle Jr.
909 Poydra Street, Suite 2230
New Orleans, LA 70112
Telephone: (504) 522-1150
Fax: (504) 522-4950

COMPANY

Brian A. Bash,
Chapter 7 Trustee
C/o Baker & Hostetler LLP
Key Tower
127 Public Square, Suite 2000
Attn: Brian A. Bash
E-Mail: Bbash@bakerlaw.com
Phone: 216-621-0200

With a copy to:

Baker & Hostetler LLP
Key Tower
127 Public Square, Suite 2000
Attn: Kelly Burgan
E-Mail: Kburgan@bakerlaw.com
Phone: 216-621-0200

12. ENTIRE AGREEMENT: This Agreement includes the entire understanding of the parties as to its subject matter and may not be modified except in a written instrument signed by the parties.

13. DISPUTE RESOLUTION/APPLICABLE LAW: This Agreement shall be construed in accordance with the laws of the State of California applicable to agreements which are executed and fully performed within the State of California. All controversies, claims or disputes between the parties to this Agreement arising out of or related to this Agreement or the interpretation, performance or breach thereof, including, but not limited to, alleged violations of state or federal statutory or common law rights or duties, and the determination of the scope or applicability of this Agreement to arbitrate ("Dispute"), except as set forth in subparagraphs (b), (c) and (d) below, shall be resolved according to the procedures set forth in subparagraph (a), below, which shall constitute the sole dispute resolution mechanism hereunder:

(a) Arbitration: All Disputes shall be submitted to final and binding arbitration. The arbitration shall be initiated and conducted according to either the JAMS Streamlined (for claims under \$250,000) or the JAMS Comprehensive (for claims over \$250,000) Arbitration Rules and Procedures, except as modified herein, including the Optional Appeal Procedure, at the Los Angeles office of JAMS, or its successor ("JAMS") in effect at the time the request for arbitration is made (the "Arbitration Rules"). The arbitration shall be conducted in Los Angeles County before a single neutral arbitrator appointed in accordance with the Arbitration Rules. The arbitrator shall follow California law and the Federal Rules of Evidence in adjudicating the Dispute. The parties waive the right to seek punitive damages and the arbitrator shall have no authority to award such damages. The arbitrator will provide a detailed written statement of decision, which will be part of the arbitration award and admissible in any judicial proceeding to confirm, correct or vacate the award. Unless the parties agree otherwise, the neutral arbitrator and the members of any appeal panel shall be former or retired judges or justices of any California state or federal court with experience in matters involving the entertainment industry. Judgment upon the award may be entered in any court of competent jurisdiction. The parties shall be responsible for payment of their own attorneys' fees in connection with any proceedings under this Paragraph 13(a).

(b) Other Matters: Any Dispute or part thereof, or any claim for a particular form of relief (not otherwise precluded by any other provision of this Agreement), that may not be arbitrated pursuant to applicable law may be heard only in a court of competent jurisdiction in Los Angeles County.

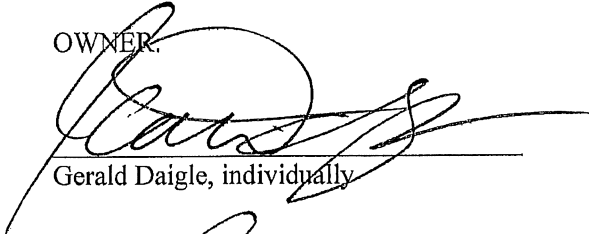
(c) Guild Arbitration: To the extent that an applicable guild agreement requires that a Dispute be resolved pursuant to such guild's arbitration provisions, or expressly permits either party to elect such resolution and such party elects such resolution, such Dispute shall be resolved in accordance with the applicable guild's arbitration provisions.

(d) Jurisdiction and Venue: The parties hereby submit to the exclusive jurisdiction and venue of the local, state and federal courts located in Los Angeles County.

[SIGNATURES FOLLOW]

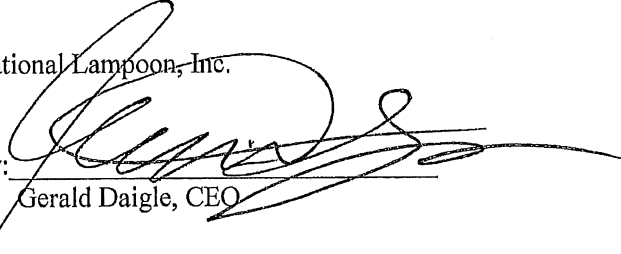
IN WITNESS WHEREOF, the parties hereto have signed this Agreement as of the date first set forth above.

OWNER:


Gerald Daigle, individually

National Lampoon, Inc.

By:


Gerald Daigle, CEO

COMPANY:

Brian A. Bash, Chapter 7 Trustee
of Fair Finance Company

IN WITNESS WHEREOF, the parties hereto have signed this Agreement as of the date first set forth above.

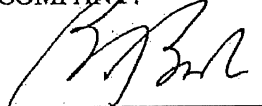
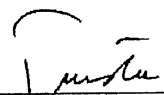
OWNER:

Gerald Daigle, individually

National Lampoon, Inc.

By: _____
Gerald Daigle, CEO

COMPANY:

Brian A. Bash, Chapter 7 Trustee
of Fair Finance Company

EXHIBIT "A"

As of June 30, 2017

The following sets forth the terms of the agreement (the "Agreement") between Brian A. Bash, Chapter 7 Trustee of Fair Finance Company (the "Licensee") and National Lampoon, Inc. ("NL") in connection with Licensee's use of NL's marks in connection with the motion picture entitled "Dead Serious" (the "Picture").

1. LICENSE TO USE MARKS: For good and valuable consideration, receipt of which is hereby acknowledged, NL hereby grants to Licensee a non-exclusive license to use (or assign the right to use or sublicense) NL trademarks and/or marks, including but not limited to the name "National Lampoon," "National Lampoon's" and/or the National Lampoon logo (collectively, "NL Marks") in connection with the Picture, any subsequent productions of the Picture and any and all ancillary rights related thereto (including but not limited to any advertising, promotions and merchandising in connection therewith) throughout the universe in perpetuity, in all media, whether now known or hereinafter devised.

2. CONTINGENT COMPENSATION: Provided that NL is not in breach of this Agreement, NL shall be entitled to receive the following contingent compensation ("Contingent Compensation"):

(a) Defined Proceeds Participation: If the Picture is produced and released, a sum equal to two and one half percent (2.5%) of one hundred percent (100%) of the "Defined Proceeds" of the Picture shall be defined, accounted for and paid on a no less favorable basis than any other Defined Proceeds participant.

(b) Merchandising Royalty: With respect to any merchandising item using any NL Trademark (other than use of any NL Trademark as part of the so-called billing block and/or credit list for the Picture and other than using any NL Trademark on soundtrack covers (including the front and back covers and liner notes), covers of novelizations, tie-in editions of underlying literary properties (in print and/or audio cassette form), printed programs and booklets), Licensee shall pay NL a pro-rata share (payable among NL and any members of the cast of the Picture whose names or likenesses are used in the particular merchandising item involved) of three and one half percent (3.5%) of one hundred percent (100%) of the gross receipts, if any actually received by Licensee or Licensee's licensing agent from the licensing of such merchandising rights, payable within sixty (60) days of Licensee's receipt of such receipts.

(c) No Guarantee: Nothing contained herein shall be construed to obligate Licensee to take any action to maximize revenues or gross receipts or to give NL any right, title or interest of any kind in or to the revenues or gross receipts derived from the Picture or the exploitation of any merchandising rights hereunder. Nothing contained in this Agreement shall be construed as creating a fiduciary relationship between Licensee and NL. The Contingent Compensation shall not constitute a lien or claim on the Picture or on any revenues or gross receipts derived therefrom. Licensee makes no representation or warranty that the Picture will be produced, or if the Picture is produced, that the proceeds of the Picture shall be sufficient to generate any Contingent Compensation.

2. AUTHORITY: Each party to this Agreement hereby represents and warrants that all necessary action has been taken to enable such party to enter into this Agreement, to be bound hereby and to perform as required hereunder. Each person executing this Agreement on behalf of a party represents and warrants that he has been duly authorized to do so.

3. COUNTERPARTS: This Agreement may be signed in counterpart, each of which shall be deemed an original, but all of which together shall constitute the Agreement. Executed copies of the signature pages of this Agreement transmitted electronically in either tagged image format files (TIFF) or portable document format (PDF) shall be treated as originals, fully binding and with full legal force and effect, and the parties waive any rights they may have to object to such treatment.

4. REMEDIES: NL will not have the right to rescind or terminate this Agreement, or to seek any type of injunctive or mandatory relief, because of any default or breach, or claim of default or breach, by Licensee of any of the provisions of this Agreement, NL's remedies in any such case being limited to an action at law for damages or for an accounting.

5. NOTICES/PAYMENTS: Unless otherwise provided hereunder, all notices, requests, demands or other communications to any of the parties hereto shall be in writing and shall be delivered by hand, by nationally recognized overnight courier (e.g., FedEx or DHL), by facsimile, or by electronic transmission via email with either a Tagged Image Format File ("TIFF") or Portable Document Format ("PDF") attached, and shall be deemed to have been received by the party to which sent (a) on the day of delivery if delivered by hand or overnight courier, or (b) one (1) Business Day after being sent by facsimile or email, if the sending party receives a confirmation of successful transmission issued by sender's facsimile machine, or a confirmation email by the receiving party, or (c) on such later date if the recipient gives verifiable proof of receipt on such later date. A courtesy copy of all notices shall be sent to Gerald Daigle, Jr. at the below address. All payments shall be deemed made when placed in U.S. mail, or sent by courier or messenger. Until further notice, the addresses of the parties shall be as follows or such other address as advised subsequently by either party in writing:

NL

National Lampoon, Inc.
1438 N. Gower Street
Box 8
Los Angeles, CA 90028
Attn: Gerald Daigle Jr.
Telephone:(310) 484-2838
Fax:(877) 452-2838

With a courtesy copy to:

Gerald Daigle Jr.
909 Poydra Street, Suite 2230
New Orleans, LA 70112
Telephone:(504) 522-1150
Fax:(504) 522-4950

LICENSEE

Brian A. Bash,
Chapter 7 Trustee
c/o Baker & Hostetler LLP
Key Tower
127 Public Square, Suite 2000
Attn: Brian A. Bash
E-Mail: Bbash@bakerlaw.com
Phone: 216-621-0200

With a copy to:

Baker & Hostetler LLP
Key Tower
127 Public Square, Suite 2000
Attn: Kelly Burgan
E-Mail: Kburgan@bakerlaw.com
Phone: 216-621-0200

6. REPRESENTATIONS AND WARRANTIES: In addition to Licensee's other representations and warranties otherwise contained within this Agreement and that certain Assignment Agreement between Licensee and NL dated as of June 30, 2017 (the "Assignment Agreement"), Licensee represents and warrants that it has the full right, power and authority to enter into and perform this Agreement; and all of Licensee's representations and warranties hereunder will be valid, true and correct and will survive the expiration or termination of this Agreement. In addition to NL's other representations and warranties otherwise contained within this Agreement and the Assignment Agreement, NL represents and warrants that it has the full right, power and authority to enter into and perform this Agreement; and all of NL's representations and warranties hereunder will be valid, true and correct and will survive the expiration or termination of this Agreement.

7. INDEMNITIES: Licensee hereby indemnifies, defends and holds harmless NL and its successors, licensees, assigns, and employees, officers and directors from and against any and all liability, loss, damage, cost and expense, including, without limitation reasonable outside attorney's fees arising out of any breach or claim by a third party with respect to any warranty, representation or agreement made by Licensee and the production of the Picture. NL hereby indemnifies, defends and holds harmless Licensee and its successors, licensees, assigns and employees, officers and directors from and against any and all liability, loss damage, cost and expense, including, without limitation reasonable outside attorney's fees arising out of any breach or claim by a third party with respect to any warranty, representation or agreement made by NL.

8. DISPUTE RESOLUTION/APPLICABLE LAW: This Agreement shall be construed in accordance with the laws of the State of California applicable to agreements which are executed and fully performed within the State of California. All controversies, claims or disputes between the parties to this Agreement arising out of or related to this Agreement or the interpretation, performance or breach thereof, including, but not limited to, alleged violations of state or federal statutory or common law rights or duties, and the determination of the scope or applicability of this Agreement to arbitrate ("Dispute"), except as set forth in subparagraphs (b), (c) and (d) below, shall be resolved according to the procedures set forth in subparagraph (a), below, which shall constitute the sole dispute resolution mechanism hereunder:

(a) Arbitration: All Disputes shall be submitted to final and binding arbitration. The arbitration shall be initiated and conducted according to either the JAMS Streamlined (for claims under \$250,000) or the JAMS Comprehensive (for claims over \$250,000) Arbitration Rules and Procedures, except as modified herein, including the Optional Appeal Procedure, at the Los Angeles office of JAMS, or its successor ("JAMS") in effect at the time the request for arbitration is made (the "Arbitration Rules"). The arbitration shall be conducted in Los Angeles County before a single neutral arbitrator appointed in accordance with the Arbitration Rules. The arbitrator shall follow California law and the Federal Rules of Evidence in adjudicating the Dispute. The parties waive the right to seek punitive damages and the arbitrator shall have no authority to award such damages. The arbitrator will provide a detailed written statement of decision, which will be part of the arbitration award and admissible in any judicial proceeding to confirm, correct or vacate the award. Unless the parties agree otherwise, the neutral arbitrator and the members of any appeal panel shall be former or retired judges or justices of any California state or federal court with experience in matters involving the entertainment industry. Judgment upon the award may be entered in any court of competent jurisdiction. The parties shall be responsible for payment of their own attorneys' fees in connection with any proceedings under this Paragraph 8(a).

(b) Other Matters: Any Dispute or part thereof, or any claim for a particular form of relief (not otherwise precluded by any other provision of this Agreement), that may not be arbitrated pursuant to applicable law may be heard only in a court of competent jurisdiction in Los Angeles County.

(c) Guild Arbitration: To the extent that an applicable guild agreement requires that a Dispute be resolved pursuant to such guild's arbitration provisions, or expressly permits either party to elect such resolution and such party elects such resolution, such Dispute shall be resolved in accordance with the applicable guild's arbitration provisions.

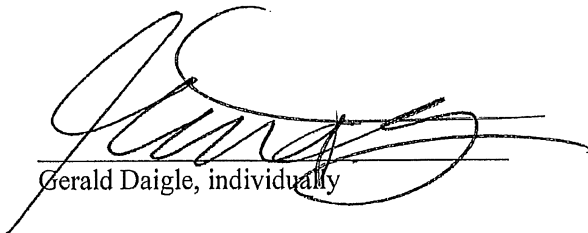
(d) Jurisdiction and Venue: The parties hereby submit to the exclusive jurisdiction and venue of the local, state and federal courts located in Los Angeles County.

9. ASSIGNMENT: This Agreement and any and all of Licensee's rights hereunder (including rights under copyright) may be licensed and/or assigned and relicensed and reassigned by Licensee and its licensees and assigns in whole or in part to any persons or entities. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors, and assigns. In the event of any assignment of this Agreement and/or of any of Licensee's rights in and to Property and in the event the assignee assumes all of Licensee's executory obligations hereunder in writing, Licensee shall be and is hereby released from all further obligations to NL hereunder; provided, however, that unless such assignment is to a so-called major or "mini-major" (as those terms are commonly understood in the motion picture and/or television industries at the time) motion picture or television production company or television network or distribution company or Licensee affiliate or other similarly financially capable party (such capability to be judged as of the time of assignment), Licensee shall remain secondarily liable for its payment obligations to NL under this Agreement, except with respect to percentage participations, if any. NL shall not have the right to assign NL's rights and obligations hereunder

10. MISCELLANEOUS: The waiver by either party of a breach of any provision contained herein shall be in writing and shall in no way be construed as a waiver of any subsequent breach of that provision or the waiver of the provision itself. Nothing in this Agreement shall constitute or be deemed to constitute a partnership or joint venture between the parties hereto or constitute or be deemed to constitute any party the agent or employee of the other party for any purpose whatsoever, and neither party shall have authority or power to bind the other or to contract in the name of, or create a liability against, the other in any way or for any purpose. If any provision of this Agreement shall be invalid or unenforceable, such invalidity or unenforceability shall not render the entire Agreement invalid. Rather, the Agreement shall be construed as if not containing the particular invalid or unenforceable provision, and the rights and obligations of each party shall be construed and enforced accordingly.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement as of the date first set forth above.

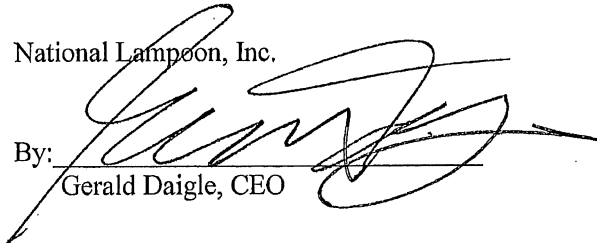
[SIGNATURES FOLLOW]



Gerald Daigle, individually

National Lampoon, Inc.

By:



Gerald Daigle, CEO

LICENSEE:

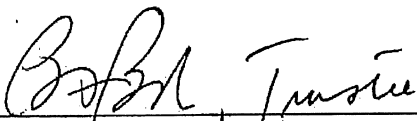
Brian A. Bash, Chapter 7 Trustee
of Fair Finance Company

Gerald Daigle, individually

National Lampoon, Inc.

By: _____
Gerald Daigle, CEO

LICENSEE:



Brian A. Bash, Chapter 7 Trustee
of Fair Finance Company

EXBHIT "B"

See attached.

NATIONAL LAMPOON'S DEAD SERIOUS

** Producers wish to offer Jerry Lewis the part of Ebenezer in National Lampoon's DEAD SERIOUS.

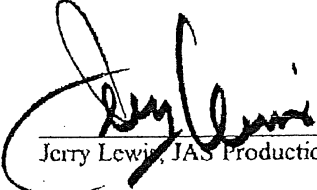
** Producers will pay JAS Productions Inc. \$50,000 for one day of work (plus any and all applicable SAG-AFTRA benefits) on the film, which is to be shot in Las Vegas. 50% of this payment will be paid via wire transfer upon signing of this deal memo.

** Producers will pay for first class ground transportation to transport Mr. Lewis to set and back home again.

** Mr. Lewis's Manager, Mark Rozzano, will receive a roundtrip airfare from Los Angeles to Las Vegas and will be in attendance at the film shoot.

** Producers acknowledge the high career standards of Jerry Lewis and will make all best efforts to produce a first class film in keeping with those standards and will make all best efforts to honor reasonable requests made by Mr. Lewis regarding his participation in the film.

** Producers wish to film behind the scenes footage about the making of the film and Mr. Lewis agrees to allow such a production to record portions of his day of filming. Producers warrant that Mr. Lewis appearance in the behind the scenes footage is only to be used to support the film and is not to be sold publicly apart from the film. Producers grant Mr. Lewis or his designee reasonable right of approval of the footage used.


Jerry Lewis, JAS Productions, Inc.

6/22/15
Date

Alan Donnes, Producer

Date

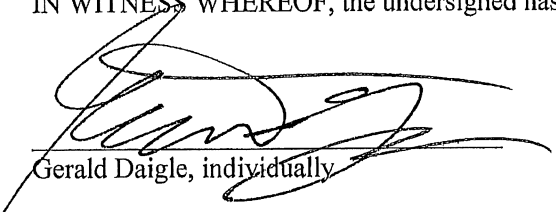
EXHIBIT "C"

SHORT-FORM ASSIGNMENT

ASSIGNMENT: For good and valuable consideration, receipt of which is hereby acknowledged, the undersigned, Gerald Daigle and National Lampoon, Inc. (collectively, "Owner") does hereby sell, grant and assign to Brian Bash, Chapter 7 Trustee of Fair Finance Company ("Company"), its successors and assigns forever and throughout the universe, all right, title and interest in and to that certain property entitled "National Lampoon's Dead Serious", written by Alan Donnes, Jon Kluft and Will Hettinger, including all of Owner's rights under all agreements and other instruments entered into by Owner in connection with the Property.

CONTROLLING DOCUMENT: This assignment is subject to all the terms and conditions of an Assignment Agreement, dated as of June 30, 2017, between Owner and Company.

IN WITNESS WHEREOF, the undersigned has executed this document as of June 30, 2017.


Gerald Daigle, individually

National Lampoon, Inc.

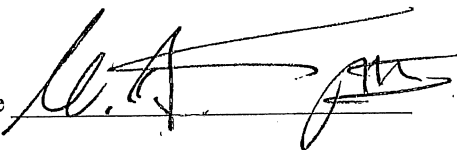
By: 

Gerald Daigle, CEO

State of Louisiana)
Parish of New Orleans) ss.:

On July 28, 2017 before me, the undersigned Notary Public personally appeared Gerald Daigle personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies) as of the date so stated, and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

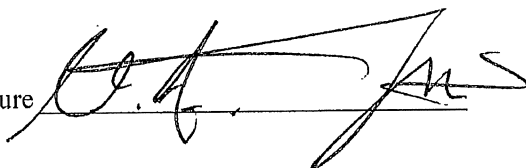
Signature 

W. ANTHONY TOUPS, III
NOTARY PUBLIC
BAR No. 18472
Parish of Orleans, State of Louisiana
My Commission is for Life.

State of Louisiana)
Parish of New Orleans) ss.:

On July 28, 2017 before me, the undersigned Notary Public personally appeared Gerald Daigle, who on the June 30, 2017 was the CEO of National Lampoon, Inc. personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature 

W. ANTHONY TOUPS, III
NOTARY PUBLIC
BAR No. 18472
Parish of Orleans, State of Louisiana
My Commission is for Life.

EXHIBIT "B"
SF ASSIGNMENT

For good and valuable consideration, the receipt of which is hereby acknowledged, the undersigned, Brian Bash, Chapter 7 Trustee of Fair Finance Company("Assignor"), sells and assigns to Rowland Stone Media LLC, its successors and assigns, in perpetuity and throughout the universe all right, title and interest in and to that certain property described as follows ("Property"):

TITLE: "National Lampoon's Dead Serious"

AUTHOR: Jon Klaft, Will Hettinger and Alan Donnes

DATE OF PUBLICATION: 2013

This Assignment is executed in accordance with and is subject to the agreement ("Agreement") between the Assignor and Company dated as of July 20, 2017 relating to the purchase and assignment to Company of the above-mentioned rights in the Property, which rights are more fully described in the Agreement.

IT WITNESS WHEREOF, the undersigned has executed this Assignment on the date indicated below.

DATED: _____, 2017

Brian Bash, Chapter 7 Trustee of
Fair Finance Company

ACKNOWLEDGED:

Rowland Stone Media LLC

By: _____

Its: _____

State of _____)
County of _____) ss:

On _____, 201_ before me, the undersigned Notary Public personally appeared _____ personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature _____

(Seal)

EXHIBIT B

AMENDMENT

CONTRACT AMENDMENT

THIS CONTRACT AMENDMENT dated this 1st day of July, 2020.

BETWEEN:

Rowland Stone Media LLC ("Company")

OF THE FIRST PART

- AND -

Brian Bash, Chapter 7 Trustee of Fair Finance Company ("Owner")

OF THE SECOND PART

Background

- A. Company and Owner (the "**Parties**") entered into a Purchase and Assignment Agreement (the "**Contract**") dated July 20, 2017, with respect to the assignment and assumption of that certain NL Assignment as defined in the Contract.
- B. The Parties desire to amend the Contract on the terms and conditions set forth in this Contract Amendment (the "**Amendment**").
- C. This is the first amendment to the Contract.

For Good and Valuable Consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree to amend their obligations in the existing Contract and the Parties agree to keep, perform, and fulfill the promises, conditions and agreements below:

Amendments

1. The Contract is amended as follows:

a. Paragraph 1. shall be deleted and replaced in its entirety with the following:

PURCHASE PRICE: In full and complete consideration for the purchase of the Property and the assignment of the NL Assignment and the promises, representations and warranties made by Owner hereunder, Company has paid Owner One Hundred and Fifty Thousand Dollars (\$150,000) (the “**Purchase Price**”). If the Picture has a general theatrical release in the U.S. to at least 250 playdates, prior to commercial release in any other medium, and provided the in-going “**Direct Cost Budget**” (i.e., excluding bond, contingency, financing costs, indirect overhead, legal and bond fees and any payments made to Owner) is in excess of Ten Million Dollars (\$10,000,000), Company shall pay Owner a Theatrical Release Bonus of One Hundred and Fifty Thousand Dollars (\$150,000).

b. Paragraph 2B is deleted and replaced in its entirety by the following:

2B. **EXECUTIVE PRODUCER FEE:** If the Picture is produced and provided Owner is not in uncured material breach of the Contract, as amended, Owner shall be entitled to an executive producer fee (“**Executive Producer Fee**”) in the amount of Fifty Thousand Dollars (\$50,000) payable upon the later of commencement of principal photography of the Picture and the closing of the production loan for the Picture. For the avoidance of doubt, the Executive Producer Fee shall not be applicable against Owner’s Defined Proceeds participation as set forth in Paragraph 3(a) below. For any feature-length subsequent productions, Owner shall be entitled to the same Executive Producer Fee as agreed to herein. If a television series is produced prior to production of a Picture, Owner shall be entitled to a one-time Executive Producer Fee with respect to such series, and such series shall be considered a “Picture” for purposes of Section 3B.

c. Paragraph 3 (a) is deleted and replaced in its entirety by the following:

- (a) **Defined Proceeds Participation:** A sum equal to five percent (5%) of one hundred percent (100%) of the “Defined Proceeds” of the Picture shall be defined, accounted for and paid on a no less favorable basis than any other Defined Proceeds participant

(except for participations that may be paid to any actor or director of the Picture), and in no event will the fees payable by Company to NL under the License Agreement be applied against the Owner's Defined Proceeds participation set forth in this Paragraph 3(a).

d. Paragraph 3 (b) shall be designated as Paragraph 3 (b) (i) and the following paragraph shall be added at the end of Paragraph 3 (b):

- (ii) If the Picture is initially produced as a theatrical film, or if a theatrical sequel or theatrical remake is produced, Company shall pay Owner a Merchandise Royalty of 5% reducible (as a result of Merchandise Royalties payable to members of the cast) pro-rata with other parties entitled to a Merchandise Royalty prior to such reduction to not less than 2.5% (payable amongst Owner and any members of the cast whose name or likenesses are used in such merchandise). The Merchandise Royalty shall be calculated and payable in accordance with the theatrical film studio's standard definition.

e. Paragraphs 3B (b), (c), and (d) are deleted and replaced in their entirety by the following:

(b) Feature-Length Motion Pictures produced Direct To Video ("D-V") or Direct to Electronic Sell Through ("D-EST"): If Company produces a feature-length motion picture sequel or remake of the Picture, initially intended for initial exploitation on direct to video ("DV") or direct to EST ("D-EST") Owner shall be entitled to the greater of Fifty Thousand Dollars (\$50,000) and one-percent (1%) of the in-going direct cash budget (excluding all interest, overhead charges, completion bond fees, contingency amounts and contingent payments) of such D-V or D-EST sequel or remake.

(c) TV Series:

- (i) **"Network" Primetime or HBO or Showtime:** If Company produces an episodic television series based on the Picture intended for initial exploitation in the U.S. (A) in primetime TV on CBS, NBC, ABC, FBC ("Network") or (B) on HBO or Showtime, the following royalty for each new

program of such series produced and broadcast on such Network in prime time, or on HBO or Showtime shall apply:

- For a 30-minute per episode: Two Thousand Five Hundred Dollars (\$2,500)
- For a 60-minute per episode: Four Thousand Five Hundred Dollars (\$4,500)
- For an episode over 60 minutes: Five Thousand Five Hundred Dollars (\$5,500)

Rerun Fee: For each Network television rerun (as such term is defined in the WGA Agreement) up to 5 reruns, Company shall pay an additional amount equal to twenty percent (20%) of the applicable royalty above.

(ii) Other Than Network Primetime or HBO or Showtime:

If Company produces an episodic television series based on the Picture intended for initial exploitation in the U.S. in non-primetime on a Network, or for any other TV entity *other than* a Network or HBO or Showtime; or for digital exploitation (including without limitation Ad-Based Video on Demand (“AVOD”) or Subscription Video on Demand (“SVOD”): Owner shall be entitled to receive one-half (1/2) of the otherwise applicable royalty set forth in (c)(i).

(d) Feature-length Motion Pictures produced for Other than Theatrical Exhibition, D-V or D-EST (collectively referred to as “MOW”) and Mini-Series:

(i) If Company produces a MOW or mini-series (multiple episode picture with a closed story in one season) (“**Mini-Series**”) based on the Picture, intended for initial exploitation in the U.S. in primetime on a Network, or HBO or Showtime or for a “**Premium**” SVOD service (20 million or more subscribers): Owner shall be entitled to Ten Thousand Dollars(\$10,000) per telecast hour, pro-rata for a portion of an hour, to a cap of Eighty Thousand Dollars (\$80,000).

(ii) If Company produces a MOW or Mini-Series intended for initial exploitation in the U.S. in non-primetime on a Network, or for any digital exploitation *other than* for Premium SVOD, or for any TV entity *other than* Network, or HBO and Showtime: Owner shall be entitled to receive one-half (1/2) of the royalty set forth in (d)(i).

(iii) Theatrical Release Bonus:

(aa) If the MOW or Mini-Series has a theatrical exhibition in the United States, or the United States and Canada, prior to its initial broadcast on primetime free network television in the United States, Owner shall be entitled to an additional sum equal to One Hundred Percent (100%) of the applicable compensation paid or payable to Owner pursuant to Paragraph 3B(d) above, payable within thirty (30) days after the date of the initial theatrical release of the applicable MOW or Mini-Series in the United States;

(bb) If the MOW or Mini-Series has a theatrical exhibition in the United States, or the United States and Canada, subsequent to its initial broadcast on primetime free network television in the United States, Owner shall be entitled to an additional sum equal to Fifty Percent (50%) of the applicable compensation paid or payable to Owner pursuant to Paragraph 3B(d) above, payable within thirty (30) days after the date of the initial theatrical release of the applicable MOW or Mini-Series in the United States;

(cc) If the MOW or Mini-Series has a theatrical exhibition outside the United States, or outside the United States and Canada (as applicable), prior or subsequent to its initial broadcast on primetime free network television in the United States, Owner shall be entitled to an additional sum equal to fifty percent (50%) of the applicable compensation paid or payable to Owner pursuant to Paragraph 3B(d) above, payable within thirty (30) days after the date of the initial theatrical release of the applicable MOW or Mini-Series outside the United States; and

(dd) In no event shall Owner be entitled to receive more than the total additional amount of a sum equal to One Hundred Percent (100%) of the compensation paid or payable to Owner pursuant to Paragraph 3B(d) above, with respect to any theatrical exhibition of the applicable MOW or Mini-Series.

f. Paragraphs 4 is deleted and replaced in its entirety by the following:

4. **ASSIGNMENT AND ASSUMPTION:** Subject only to the payment of the Purchase Price, Owner hereby irrevocably sells, grants

and assigns to Company exclusively and absolutely throughout the universe in perpetuity, all right, title and interest in and to the NL Assignment, except for the rights Owner holds pursuant to Paragraph 2. (d) (c) of the NL Assignment. For clarification, Owner shall retain (or be paid from Company or any assignee of the License Agreement) the first Two Hundred and Fifty Thousand Dollars (\$250,000) of NL Mark fees payable pursuant to the License Agreement that would otherwise be payable to National Lampoon. Company assumes and agrees to perform all executory obligations set forth in the NL Assignment (including all Chain of Title Documents) which are required to be performed subsequent to the date Owner executes and delivers the Contract and expressly undertakes all obligations to pay amounts required to be paid pursuant to the License Agreement and any residuals that may be due, if any, to the writers of the screenplay.

g. Paragraph 5 (b) is deleted and replaced in its entirety by the following:

(b) Subject to Court Approval (which Owner hereby acknowledges has been granted) Owner is the sole and exclusive owner of the Property, and of all other rights and privileges granted, or to be granted, to Company hereunder and Owner has the full right, power and authority to make and perform this Agreement, as amended, without obtaining the consent or approval of any other person or entity.

h. Paragraph 10. entitled NOTICES AND PAYMENTS shall be amended to complete the Owner's address. Owner's address shall be deleted and replaced by the following:

OWNER:

Brian A. Bash
Chapter 7 Trustee
c/o Baker & Hostetler, LLP
Key Tower
127 Public Square, Suite 2000
Cleveland, OH 44114

Attn: Brian A. Bash
Email: Bbash@bakerlaw.com
Phone: 216-621-0200

With a Courtesy Copy To:

Baker & Hostetler, LLP
Key Tower
127 Public Square, Suite 2000
Cleveland, OH 44114
Attn: Peter Van Euwen
Email: pvaneuwen@bakerlaw.com
Phone: 216-621-0200

No Other Change

2. Except as otherwise expressly provided in this Amendment, all of the terms and conditions of the Contract remain unchanged and in full force and effect.

Miscellaneous Terms

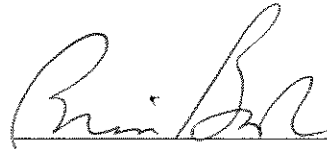
3. Capitalized terms not otherwise defined in this Amendment will have the meanings ascribed to them in the Contract. Headings are inserted for the convenience of the parties only and are not to be considered when interpreting this Amendment. Words in the singular mean and include the plural and vice versa. Words in the masculine include the feminine and vice versa. No regard for gender is intended by the language in this Amendment.

Governing Law

4. Subject to the terms of the Contract, it is the intention of the Parties that this Amendment, and all suits and special proceedings under this Amendment, be construed in accordance with and governed, to the exclusion of the law of any other forum, by the laws of the State of California, without regard to the jurisdiction in which any action or special proceeding may be instituted.

5. This Amendment shall not be effective unless and until bankruptcy court approval of this Amendment is obtained and Owner has received an executed copy of the assignment of the Contract from Company to Universal Studios, which assignment is acceptable to Owner in his sole discretion.

The Parties have duly affixed their signatures on this 1st day of July, 2020.

A handwritten signature in black ink, appearing to read "Brian Bash", written over a horizontal line.

Brian Bash, Chapter 7 Trustee of Fair Finance
Company

Steve Wolsh, Manager, for Rowland Stone
Media LLC

EXHIBIT C

PROPOSED ORDER

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION**

IN RE:)	
)	Case No. 10-50494
FAIR FINANCE COMPANY,)	
)	Chapter 7
Debtor.)	
)	Judge Jessica E. Price Smith

**ORDER GRANTING TRUSTEE'S MOTION FOR AUTHORITY TO
ENTER INTO AMENDMENT TO PURCHASE AGREEMENT**

This matter came before the Court on the *Trustee's Motion for Authority to Enter into Amendment to Purchase Agreement* (the "**Motion**"). Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Motion. The Court has reviewed the Motion and concluded that (i) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (ii) this is a core proceeding, (iii) notice of the Motion was sufficient under the circumstances, and (iv) the legal and factual bases set forth in the Motion establish just cause for the relief requested. This Court having determined that the relief requested in the Motion is in the best interests of the Debtor, the estate and the creditors, and after due deliberation and sufficient cause appearing therefore;

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED in its entirety.
2. The Trustee is authorized to execute the Amendment.
3. The Trustee is authorized to take such action related to the Amendment that may be appropriate or necessary.

IT IS SO ORDERED.

#

Respectfully submitted,

/s/ Michael A. VanNiel

Michael A. VanNiel (0073948)

Adam L. Fletcher (0085201)

BAKER & HOSTETLER LLP

127 Public Square, Suite 2000

Cleveland, OH 44114

Telephone: 216.621.0200

Facsimile: 216.696.0740

Email: mvanniel@bakerlaw.com

afletcher@bakerlaw.com

Counsel for the Trustee

CERTIFICATE OF SERVICE

A copy of the foregoing has been served via ECF or regular, U.S. Mail, on September 2, 2020, on the attached service list.

/s/ Michael A. VanNiel

Michael A. VanNiel

Counsel for the Trustee

SERVICE LIST

Electronic Mail Notice List

The following is the list of **parties** who are currently on the list to receive e-mail notice/service for this case.

- Richard M Bain bain@buckleyking.com, krupa@buckleyking.com
- Stephen M. Bales sbales@zieglermetzger.com, dmalloy@zieglermetzger.com
- Brian A Bash bashtrustee@bakerlaw.com, bbash@ecf.epiqsystems.com
- Brian A. Bash BBash@bakerlaw.com
- Brian A. Bash bashtrustee@bakerlaw.com, bbash@ecf.epiqsystems.com
- John E. Bator jbator@batorlaw.com, sbator@batorlaw.com
- Alexis Beachdell abeachdell@bakerlaw.com, fairfinancedocket@bakerlaw.com
- Kathryn A. Belfance kb@rlblp.com
- John B. Blanton jblanton@bakerlaw.com
- Thomas J Budd disneydiver@me.com, law@disneydiver.com
- Kelly Burgan kborgan@bakerlaw.com
- Patrick W. Carothers pcarothers@leechtishman.com, bankruptcy@leechtishman.com;ghauswirth@leechtishman.com;dtomko@leechtishman.com
- Anthony J. Cespedes ajc1253@yahoo.com
- William Gregory Chris wchris@rlblp.com, hkoerner@rlblp.com
- Michael L. Cioffi cioffi@blankrome.com
- LeGrand L Clark legrand.clark@atg.in.gov, stephanie.patrick@atg.in.gov
- Deborah A. Coleman dacoleman@hahnlaw.com, hlpcr@hahnlaw.com;mcsoulsby@hahnlaw.com;cmbeitel@hahnlaw.com
- Anthony J DeGirolamo ajdlaw@sbcglobal.net, amber_weaver@sbcglobal.net;G23630@notify.cincompass.com
- Rocco I. Debitetto ridebitetto@hahnlaw.com, cmbeitel@hahnlaw.com
- Duriya Dhinojwala ddhinojwala@bmdllc.com, ddhinojwala@icloud.com
- Michelle DiBartolo-Haglock mdibartolo@ttmlaw.com, mldibartolo@gmail.com
- Breaden M. Douthett bdouthett@bakerlaw.com, fairfinancedocket@bakerlaw.com
- J Douglas Drushal ddrushal@ccj.com, lehman@ccj.com
- Charles R. Dyas charles.dyas@btlaw.com
- Robert W. Eckinger rwe@eckingerlaw.com
- Joseph Esmont jesmont@bakerlaw.com, joe.esmont@gmail.com;cbkfuturesinc@bakerlaw.com
- Joseph Esmont jesmont@bakerlaw.com, joe.esmont@gmail.com;cbkfuturesinc@bakerlaw.com
- Joseph E. Ezzie jezzie@bakerlaw.com
- Gregory R Farkas gfarkas@frantzward.com, dlbeatrice@frantzward.com
- Adam Lee Fletcher afletcher@bakerlaw.com
- Dov Frankel dfrankel@taftlaw.com, BHORVATH@TAFTLAW.COM;CLE_Docket_Assist@taftlaw.com
- Leon Friedberg lfriedberg@cpmlaw.com, efiling@cpmlaw.com
- Ronald P. Friedberg rfriedberg@meyersroman.com, vvardon@meyersroman.com
- Marc P Gertz mpgertz@goldman-rosen.com, debm@goldman-rosen.com
- Matthew Gold courts@argopartners.net
- Eric R. Goodman egoodman@bakerlaw.com
- Harry W. Greenfield bankpleadings@bucklaw.com, young@buckleyking.com;toole@buckleyking.com;heberlein@buckleyking.com
- Harry W. Greenfield greenfield@buckleyking.com, young@buckleyking.com;toole@buckleyking.com;heberlein@buckleyking.com
- John J Guy johnguy@neo.rr.com
- John J Guy johnguy@neo.rr.com
- Adam Bradley Hall amps@manleydeas.com
- Scott Holbrook sholbrook@bakerlaw.com
- H Ritchey Hollenbaugh hrh@cpmlaw.com, knocera@cpmlaw.com;slq@cpmlaw.com
- Rachel Huston rachel.huston@ohioattorneygeneral.gov
- Joseph F. Hutchinson jhutchinson@bakerlaw.com, sszalay@bakerlaw.com
- Steven G Janik , 8382591420@filings.docketbird.com
- Steven G Janik steven.janik@janiklaw.com, 8382591420@filings.docketbird.com

- Cynthia A Jeffrey bknotice@reimerlaw.com
- Kenneth C Johnson kjohnson@bricker.com, lpickett@bricker.com
- Nathaniel R. Jones jones-n@blankrome.com
- Mitchell A. Karlan mkarlan@gibsondunn.com, ldunst@gibsondunn.com;nhart@gibsondunn.com;blutz@gibsondunn.com;mao@gibsondunn.com
- Patrick J Keating pkeating@bdblawn.com, sconard@bdblawn.com
- Scott J. Kelly scottkelly@skellylaw.com
- David Charles Knowlton dck@kckblawn.com
- John F Kostelnik jkostelnik@frantzward.com, dlbeatrice@frantzward.com
- Stuart A. Laven slaven@cavitch.com
- James Michael Lawniczak jlawniczak@calfee.com
- Trish D. Lazich trish.lazich@ohioattorneygeneral.gov, angelique.dennis-noland@ohioattorneygeneral.gov
- Stephen P Leiby sleiby@neolaw.biz, jackie@neolaw.biz
- Scott B. Lepene scott.lepene@thompsonhine.com, Christine.Broz@thompsonhine.com;ECFDocket@thompsonhine.com
- Jeffrey M. Levinson jml@jml-legal.com
- Patrick T. Lewis plewis@bakerlaw.com, sjeney@bakerlaw.com
- Quintin F. Lindsmith qlindsmith@bricker.com, cwarner@bricker.com
- David A Looney David@OhioAttorney.com, davelooney1@gmail.com
- Bruce J.L. Lowe blowe@taftlaw.com, CLE_Docket_Assist@taftlaw.com;SMcKean@taftlaw.com
- Thomas R Lucchesi tlucchesi@bakerlaw.com
- Thomas R Lucchesi tlucchesi@bakerlaw.com
- Crystal L. Maluchnik crystal.maluchnik@janiklaw.com
- Crystal L. Maluchnik crystal.maluchnik@janiklaw.com
- Grant A Mason gamason@millermast.com
- Matthew H Matheney mmatheney@bdblawn.com, bhajduk@bdblawn.com
- Shorain L. McGhee shorain@smcgheelaw.com
- David W. Mellott dmellott@beneschlaw.com
- Tarek E. Mercho tmercho@mercholegal.com
- David P. Meyer dmeyer@dmlaws.com, docket@dmlaws.com
- David Polan Meyer dmeyer@dmlaws.com
- Michael J Moran mike@gibsonmoran.com, moranecf@gmail.com;r55982@notify.bestcase.com
- Michael J Moran moranecf@yahoo.com, moranecf@gmail.com;r55982@notify.bestcase.com
- David A Mucklow davidamucklow@yahoo.com
- David A Mucklow davidamucklow@yahoo.com
- Steven J. Mulligan stevenmulligan@cox.net
- Maritza S. Nelson mnelson@bakerlaw.com
- F. Anthony Paganelli tony@tonypaganelli.com
- Lucas Keith Palmer palmer@ccj.com, aaichele@ralaw.com
- David C. Perduk dperduk@perduklaw.com, jody@perduklaw.com
- Mark A Phillips mphilips@beneschlaw.com, docket@beneschlaw.com;lbehra@beneschlaw.com;cgreen@beneschlaw.com
- Mark A Phillips mphilips@beneschlaw.com, docket@beneschlaw.com;lbehra@beneschlaw.com;cgreen@beneschlaw.com
- Larry G. Poulos larry_poulos@yahoo.com
- Kenneth G. Prabucki kprabucki@bakerlaw.com
- Kenneth G. Prabucki kprabucki@bakerlaw.com
- Clinton E. Preslan ndohbky@jbandr.com
- Clinton E. Preslan cpreslan@preslanlaw.com
- David F. Proano dproano@bakerlaw.com, fairfinancedocket@bakerlaw.com
- David F. Proano dproano@bakerlaw.com, fairfinancedocket@bakerlaw.com
- Stephen J Pruneski spruneski@rlblp.com
- Timothy J Richards trichards@frantzward.com, dlbeatrice@frantzward.com;timrichardslegal1976@gmail.com
- Mark Riemer mriemer@goldman-rosen.com
- Tim Robinson tim.robinson@dinsmore.com, lisa.geeding@dinsmore.com
- Tim Robinson tim.robinson@dinsmore.com, lisa.geeding@dinsmore.com

- James E. Rossow jim@rubin-levin.net, robin@rubin-levin.net;lisa@rubin-levin.net;atty_jer@trustesolutions.com
- James E. Rossow jim@rubin-levin.net, robin@rubin-levin.net;lisa@rubin-levin.net;atty_jer@trustesolutions.com
- Colin P. Sammon colin.sammon@janiklaw.com, Julie.Zakrzewski@Janiklaw.com
- Matthew J. Samsa msamsa@mcdonaldhopkins.com, docket@beneschlaw.com;cgreen@beneschlaw.com
- James Preston Schuck jschuck@bricker.com, cwarner@bricker.com
- Richard V. Singleton rsingleton@blankrome.com, kreda@blankrome.com;jhanner@blankrome.com
- Dale S Smith dsmith@frantzward.com, dlbeatrice@frantzward.com
- Sheldon Stein ssteindocs@gmail.com, kristine@steintrustee.com;sheldon@steintrustee.com
- Rachel L. Steinlage rsteinlage@meyersroman.com, jray@meyersroman.com;mnnowak@meyersroman.com
- Ray H Stoess raystoess@600westmain.com
- Megan D. Stricker mnovinc@davisyoung.com, gcampbell@davisyoung.com
- Timothy M. Sullivan tim@tmslaw.net, crystal@tmslaw.net
- Jonathan D. Sundheimer jsundheimer@btlaw.com
- Gregory D Swope gswope@kwgd.com, mhelmick@kwgd.com
- David J. Theising dtheising@harrisonmoberly.com
- Ronald N. Towne rtowne@neolaw.biz, awehener@neolaw.biz
- Vance P. Truman medinaatty@vancetruman.com
- United States Trustee (Registered address)@usdoj.gov
- Michael S Tucker mtucker@ulmer.com
- Nancy A. Valentine nancy.valentine@icemiller.com, carol.builder@icemiller.com
- Michael A. VanNiel mvanniel@bakerlaw.com
- Thomas C Wagner wagnert@tcwlawyers.com, wagnert@vwlawyers.com
- Daniel Rubin Warren dwarren@bakerlaw.com
- Wayne County Litigants ddrushal@ccj.com
- Nicholas L. White nwhite@bakerlaw.com, fairfinancedocket@bakerlaw.com
- Alicia Raina Whiting-Bozich whiting-bozich@buckleyking.com, heberlein@buckleyking.com
- Douglas Wolfe dwolfe@asmcapital.com
- Lenore Kleinman ust04 Lenore.Kleinman@usdoj.gov
- Maria D. Giannirakis ust06 maria.d.giannirakis@usdoj.gov

Manual Notice List

The following is the list of **parties** who are **not** on the list to receive e-mail notice/service for this case (who therefore require manual noticing/service).

Emily S. Donahue
Jackson Walker L.L.P.
2323 Ross Avenue, Suite 600
Dallas, TX 75202

Christine A. Arnold
6005 Twin Lakes Drive
Parma, OH 44219

Dennis S. Sumerix
18592 Edwards Road, Lot 171
Doylestown, OH 44230-9546

Leon Friedberg
Dennis J. Concilla
Carl A. Aveni
H. Ritchey Hollenbaugh
Carlile Patchen & Murphy LLP
366 Broad Street
Columbus, OH 43215

Robert Boote
Ballard Shahr LLP
919 North Market Street, 12th Floor
Wilmington, DE 19801-3034

Leslie C Heilman
Ballard Spahr LLP
919 North Market Street, 12th Floor
Wilmington, DE 19801-3034

Maria D. Giannirakis
Office of the United States Trustee
Howard M. Metzenbaum U.S. Courthouse
201 Superior Avenue East, Suite 441
Cleveland, OH 44114

Lothar Jung
12962 W. Linden Avenue
Parma, OH 44130-5817

John J. Kuster
Benjamin R. Nagin
Sidley Austin LLP
787 Seventh Avenue
New York, NY 10019

Eric W. Sleeper
Barton Barton & Plotkin LLP
711 Third Avenue, 14th Floor
New York, NY 10017

Gary Sallee
11650 Olio Road, Suite 1000-333
Fishers, IN 46037

Robert Hanlon
Eileen Hanlon
P.O. Box 42
State Route 43
Mogadore, OH 44260

John McCauley, Esq.
J. Richard Kiefer, Esq.
Bingham McHale LLP
2700 Market Tower
10 West Market Street
Indianapolis, IN 46204

Tobey Daluz
Ballard Spahr LLP
919 North Market Street, 12th Floor
Wilmington, DE 19801-3034

Jay Jaffe
Faegre Baker Daniels LLP
600 E. 96th Street, Suite 600
Indianapolis, IN 46240

Michael V. Demczyk
12370 Cleveland Avenue, NW
P.O. Box 867
Uniontown, OH 44685

Charles Boerner
1848 Ritchie Road
Stow, OH 44224

JM Partners LLC
Attn: John Marshall
6800 Paragon Place, Suite 202
Richmond, VA 23230-1656