

DIRECTOR SERVICES AGREEMENT

(DEVELOPMENT AND DIRECTING SERVICES)

AS OF: September 16, 2010

PICTURE: "THE FAMILIARS"

DIRECTOR: Doug Sweetland

NOTICE TO: United Talent Agency  
9560 Wilshire Blvd.  
Beverly Hills, CA 90212  
Attention: Jason Burns  
Tel. #: (310) 860-3766

PAYMENTS TO: Same as above

COURTESY COPY TO: Ziffren Brittenham LLP  
1801 Century Park West  
Los Angeles, CA 90067  
Attention: Wendy Kirk, Esq. and Matthew Johnson, Esq.  
Tel. #: (310) 552-6507

The following sets forth the agreement ("Agreement") between SONY PICTURES ANIMATION INC. ("Company") and DOUG SWEETLAND ("Artist") with respect to Artist's directing services in connection with the above-referenced animated motion picture (the "Picture").

1. CONDITIONS PRECEDENT. Company's obligations under this Agreement are conditioned upon the following:

1.1 Execution of Agreement. Company's receipt of fully-executed copies of this Agreement;

1.2 Employment Eligibility. Artist's providing Company with all documents which may be required by any governmental agency or otherwise for Artist to render services hereunder, including, without limitation, an DHS Form I-9 (Employment Eligibility Verification Form) and W-4 Forms completed to Company's satisfaction, together with Artist's submission to Company of original documents establishing Artist's employment eligibility (Company acknowledges that this condition has been satisfied); and

1.3 Chain-of-Title. Company's timely receipt of chain-of-title documents and executed documents (in form and substance satisfactory to Company) conveying to Company all right, title and interest in and to all materials upon which the Picture is based (Company acknowledges that this condition has been satisfied).

2. SERVICES.

2.1 Employment. Company hereby employs Artist as a director in connection with the development and production of the Picture pursuant to the terms and conditions hereof and Artist hereby accepts such employment.

2.2 Services. Artist shall render all development and production services as are customarily rendered by directors of first-class animated theatrical motion pictures in the motion picture industry, as, when and where reasonably required by Company, and shall comply with all reasonable directions, requests, rules and regulations of Company in connection therewith, whether or not the same involve matters of artistic taste or judgment. Without limiting the generality of the foregoing, Artist's services shall include supervising the development, story, visual development, styling, animating, character designs and/or story sketch, the writing of a screenplay for the Picture, supervising the preparation of a detailed budget and production schedule for the Picture, assisting Company in selecting the department heads, voice cast, and other artists for the Picture and overseeing the production and delivery of the Picture in accordance with the direction of Company.

3. TERM

3.1 Termination Right. Artist shall commence services hereunder on September 27, 2010 ("Start Date") and continue thereafter through the completion of all services as reasonably required of Artist by Company in connection with the Picture ("Completion Term"); provided, however, that either party may terminate this Agreement at the end of twelve (12) months ("Initial Term") by giving written notice to the other party no sooner than thirty (30) days' and no less than ten (10) business days' prior to the expiration of the Initial Term ("Initial Term Termination Right"). If neither party exercises its Initial Term Termination Right, the Term will continue thereafter with a guarantee of an additional six (6) months ("Six Month Term"). Company shall provide Artist with ninety (90) days' prior written notice of the end of the Completion Term. The Initial Term, Six Month Term and Completion Term, if any, are individually and/or collectively referred to herein as the "Term."

3.2 Abandonment. In the event Company abandons development and/or production of the Picture during the Initial Term or the Six Month Term, if any, Company and Artist shall in good faith mutually determine another project(s) for Artist to work on for the remainder of the Initial Term or Six Month Term, as applicable.

4. EXCLUSIVITY. Artist shall render services hereunder on an exclusive basis and devote Artist's entire business time, ability and energy exclusively to the performance of Artist's duties.

5. FIXED COMPENSATION. Upon the conditions that Artist fully performs all services and

obligations required hereunder and that Artist is not in “Default”, and subject to Company’s rights of suspension and/or termination on account of Artist’s Default or “Disability” or an event of “Force Majeure”, as such terms are defined in the Standard Terms and Conditions attached hereto, and further subject to Company’s receipt of a certificate of ownership of results and proceeds in substantially the form attached hereto signed by Artist (Company acknowledges the receipt of the signed certificate), Company shall pay Artist as full and complete consideration for such services and for all rights granted hereunder, the following sums, at the following times:

5.1 Yearly Salary. During the Term, Artist shall receive the following salary, payable according to Company’s standard payment policies and procedures: (i) THREE HUNDRED SEVENTY-FIVE THOUSAND DOLLARS (\$375,000) for the Initial Term, increasing at a rate of TWENTY-FIVE THOUSAND DOLLARS (\$25,000) per year thereafter, to a cap of FIVE HUNDRED THOUSAND (\$500,000) per year for the duration of the Term (each, a “Yearly Salary”). Notwithstanding the foregoing, if Company commences production layout on the Picture during the Initial Term, Artist’s Yearly Salary shall increase to FOUR HUNDRED THOUSAND DOLLARS (\$400,000), with additional increases of TWENTY-FIVE THOUSAND DOLLARS (\$25,000) per year thereafter as set forth above.

5.2 Production Bonus. Promptly after the commencement of layout of the Picture, a one time only production bonus in the gross amount of SEVENTY-FIVE THOUSAND DOLLARS (\$75,000), less applicable withholding and deductions.

5.3 Termination Payment.

5.3.1 Initial Term Termination Payment. If, during the Initial Term, Company terminates Artist for any reason other than Artist’s Default, Artist’s Disability or a Force Majeure Event (which, notwithstanding anything to the contrary herein, Company shall have the absolute right to do), then, Company shall pay Artist the unpaid balance of the prorated amount of Artist’s applicable Yearly Salary for the Initial Term (“Initial Term Termination Payment”). The Initial Term Termination Payment may be made in biweekly installments on Company’s regular payday in the week following that week in which such payment would have accrued, or in a lump sum, in Company’s sole discretion.

5.3.2 Six Month Term Termination Payment. If, during the Six Month Term, if any, Company terminates Artist for any reason other than Artist’s Default, Artist’s Disability or a Force Majeure Event, then, Company shall pay Artist the unpaid balance of the prorated amount of Artist’s applicable Yearly Salary for the Six Month Term (“Six Month Term Termination Payment”). The Six Month Term Termination Payment may be made in biweekly installments on Company’s regular payday in the week following that week in which such payment would have accrued, or in a lump sum, in Company’s sole discretion.

6. CONTINGENT COMPENSATION. Upon the conditions that Artist fully performs all material services and obligations required hereunder and that Artist is not in Default and provided that the Picture is completed under the supervision of Artist as a director thereof, Company shall pay Artist the following:

6.1 Box Office Bonus(es). At such time (if ever) that the domestic theatrical box office gross receipts of the Picture as reported in Daily Variety (or if Daily Variety ceases publication of such information, pursuant to such other mutually agreed-upon publication or measure) for the initial release of the Picture ("DBO") reach or exceed the applicable level(s) as set forth below, Artist shall be entitled to receive the following bonus(es):

<u>DBO</u>		<u>Bonus</u>
\$150 million		\$100,000
\$175 million	(an additional)	\$125,000
\$200 million	(an additional)	\$150,000
\$225 million	(an additional)	\$200,000
\$250 million	(an additional)	\$250,000
\$275 million	(an additional)	\$275,000
\$300 million	(an additional)	\$300,000
\$325 million	(an additional)	\$300,000
\$350 million	(an additional)	\$300,000

6.2 Vesting of Contingent Compensation. If Artist's services are terminated by reason of Artist's Disability or "without cause" (as defined in Section 10) and the Picture is produced and released, Lender shall be entitled to receive that proportion of the total Contingent Compensation set forth in Section 6.1, above, in accordance with the following formula: Each month that Artist performs pre-production, production and post-production services on the Picture shall be deemed a percentage equal to the quotient obtained when one is divided by the total number of months of scheduled pre-production, production and post-post-production of the Picture. As an example only, if pre-production, production and post-production for the Picture are scheduled for a total of four (4) years (i.e., forty-eight [48] months), then vesting for the Contingent Compensation (if any) payable for the Picture shall be  $1/48^{\text{th}}$  or 2.083% for each such month of Artist's services on the Picture.

7. CREDIT. Upon the conditions that Artist fully performs all material services and obligations required hereunder and that Artist is not in Default and provided that the Picture is completed under Artist's supervision as an individual director thereof, if the Picture is released, Company shall accord Artist the following credit, which may be shared as required by Company:

7.1 Directing Credit. A credit in substantially the form "Directed by Doug Sweetland" ("Directing Credit"), as follows:

7.1.1 On Screen. In the main titles which shall be located at the beginning of the Picture, or at the end of the Picture if all non-cast credits for individuals rendering services on the Picture are at the end of the Picture, on all positive prints of the Picture on a separate card if any other non-cast individual is accorded credit on a separate card, which may be shared with other directors provided that Artist's credit shall appear in first position.

7.1.2 Paid Ads. In the billing block portion of any paid advertising relating primarily to the Picture issued by, or under the direct control of, Company ("Paid Ads") if any other non-cast individual on the Picture is accorded credit in the billing block portion of any

such Paid Ad, in the same position as set forth in Section 7.1.1 above.

7.1.3 Size. Where Artist is entitled to receive the Directing Credit as set forth in this Section 7, the Directing Credit shall be accorded in an average size of type no smaller than the average size (i.e., height, width and thickness) of type used to accord credit (on screen or in the billing block portion of such Paid Ad, as applicable) and for duration of the credit on screen to any other non-cast individual on the Picture.

7.1.4 Excluded Ads. If any non-cast individual rendering services on the Picture is accorded credit in the billing block of any "Excluded Ads" (as hereinafter defined), other than award, congratulatory or nomination advertising in which the honoree(s) is/are the only person(s) mentioned or in a billing block on the packaging for Video Items (as defined below) and/or a billing block on soundtrack recordings or novelizations ("Ancillary Items"), then Artist's Directing Credit shall be accorded in the billing block of said Excluded Ads or in a billing block on the packaging for such Video Items and/or a billing block on Ancillary Items.

7.2 Exclusions and Exceptions. Company's Paid Ad credit obligations shall not apply to the following Paid Ads (hereinafter "Excluded Ads"): group, list, institutional or so-called teaser advertising; special advertising *e.g.*, announcements of commencement and/or completion of principal photography, advertising regarding box office gross receipts, etc.; announcement advertising; advertising relating primarily to the source material upon which the Picture is based, or to the author, any member of the cast, the producer(s), writer(s) or any other personnel involved with the production of the Picture; so-called "award" or "congratulatory" advertisements, including advertisements or announcements relating to consideration or nomination for an award; trailers (including promotional films) or other screen, radio, television mobile or internet advertising; advertising in narrative form; advertising for film festivals, film markets and the like; advertising one-half page (or the equivalent in SAU's) in size or less; outdoor advertising (including, but not limited to so-called 24-sheets); theater display advertising; advertising in which no credit is accorded other than credit to one or two actors and/or to Company and/or to any other company financing or distributing the Picture. The following shall not be considered Paid Ads or Excluded Ads for any purpose hereunder: videocassettes, videodiscs and other home video devices and the covers, packages, containers or jackets therefor (collectively, "Video Items"); publicity and promotional items and materials; advertising relating to subsidiary or ancillary rights in the Picture (including, but not limited to novelizations, screenplays or other publications, products, merchandising, music publishing or soundtrack recordings); voiceovers; advertising, publicity and exploitation relating to by-products or commercial tie-ins; and other advertising not relating primarily to the Picture.

7.3 General Terms. Other than as set forth above, the position of Artist's credit and all other matters with respect to Artist's credit shall be determined by Company in its sole discretion. Any reference to the "title" of the Picture shall be deemed to mean the "regular" title unless such reference is specifically made to the "artwork" title. Company shall notify third party distributors and licensees of the Picture with whom Company is in privity of contract of the credit provisions of this Section 7, but no inadvertent failure to comply with the provisions of this section nor any failure by third parties to comply with their agreements with Company shall constitute a breach of this Agreement by Company. Company shall have the right in its sole

discretion to accord Artist more favorable credit(s) than provided for herein. In the event of Company's failure to comply with any of its Paid Ad obligations hereunder, Company shall, upon receipt of written notice of such failure, use reasonable efforts to correct such failure in Paid Ads on a prospective basis only, *i.e.*, those Paid Ads (if any) prepared after Company's receipt of such notice (allowing for adequate time after receipt of notice to implement such correction).

8. DELIVERY; LENGTH; RATING. Artist will render services in compliance with each of the following requirements to the extent that such matters are within Artist's control, (provided, however, that nothing contained herein shall be interpreted as obligating Artist as a "guarantor" of the Picture [*i.e.*, Company will not be entitled to obtain damages from Artist or to recover any overbudget costs incurred by Company in connection with the Picture]): the completed Picture, including the main and end titles, shall (i) be completed, delivered and available for release in accordance with the production and post-production schedules approved by Company pursuant to the final all-in ingoing budget approved by Company ("Approved Budget"), subject to such shorter delivery period as may be dictated by Company's release requirements or as may be specified in such Approved Budget (time being of the essence), (ii) strictly adhere to the Approved Budget (excluding any "Excluded Costs," as defined below), schedule (subject to extensions by reason of changes requested in writing by Company, extensions by reason of an event of Force Majeure [as defined in the Standard Terms attached hereto], and laboratory delays not caused or contributed to by Artist which have the effect of rendering such schedule impracticable despite Artist's best efforts to accommodate such schedule notwithstanding such delays, and provided that in connection with any such delays, Artist has complied with all of Company's reasonable suggestions and/or requirements with respect to accommodating such schedule in spite of such delays), final approved story reel and shooting script (subject to minor and incidental changes required by the exigencies of production which do not materially change the story, theme or characterizations of the approved story reel and approved shooting script); (iii) be no less than seventy-five (75) minutes and no more than ninety-five (95) minutes in running time, inclusive of main and end titles; (iv) be in color in a standard thirty-five millimeter (35mm) format; (v) be produced in accordance with the applicable collective bargaining agreements, if any, and laws, regulations and requirements of all governmental agencies, both domestic and foreign, having jurisdiction with respect to the production thereof and all obligations under contracts of which Company advises Artist; (vi) qualify with the Motion Picture Association of America for a rating no more restrictive than "PG," unless Company agrees in writing to a more restrictive rating; (vii) be accompanied by delivery of all elements and materials provided for in Company's standard delivery schedule, including without limitation (a) television and airline versions of the Picture (collectively the "TV Version") incorporating all cover shots and looping lines as are required to satisfy then-prevailing U.S. network and airline broadcast standards and practices (such shots not to be used to qualify the Picture for the foregoing rating) (Company agrees to provide Artist with so-called television coverage notes on the screenplay prior to the commencement of production of the Picture; provided, however, Company makes no representation as to the completeness of such notes and Artist shall remain fully responsible for preparation and delivery of the TV Version [which may require cuts and/or changes not referenced in the television coverage notes and/or which could not have been anticipated from a review of the applicable draft screenplay]), and (b) a high definition master of the theatrical version of the picture for release in the home entertainment market ("High Def Master"), and (c) a video master of the TV Version of the Picture ("Video Master"). Artist shall cause looping

lines for the TV Version to be recorded concurrently with ADR work for the theatrical version of the Picture and shall cause the High Def Master to be delivered to Company no later than ten (10) days following the completion of the final color correction for the initial United States theatrical release of the Picture, time being of the essence, and the TV Version, including the Video Master thereof, to be delivered to Company as required by Company in order to meet Company's contractual obligations for the exploitation of such version. If Artist fails to cause the High Def Master to be completed and delivered by the end of the foregoing ten (10) day period and/or fails to cause the TV Version and Video Master thereof to be completed and delivered on the schedule required by Company, then Artist shall not have any consultation or other rights with respect to the applicable item. For purposes of this Section 8 and solely for purposes of determining the Picture's adherence to the Approved Budget, "Excluded Costs" shall mean costs resulting from the following: (i) new scenes added with Company's approval which were not required by the approved screenplay; but only if Company has expressly agreed in writing to treat such costs as Excluded Costs; (ii) increases in minimum compensation required to be paid for the services of personnel engaged in connection with the Picture pursuant to any applicable collective bargaining agreement to the extent that such increases could not have been reasonably anticipated at the time the budget for the Picture was approved by Company; (iii) changes in the screenplay or the production schedule or other plans for the production of the Picture approved by Company after the approval by Company of the budget, but only if Company has expressly agreed in writing to treat such costs as Excluded Costs; (iv) the occurrence of an event of force majeure other than costs that arise from any breach by a third party of its obligations to Company; (v) currency fluctuations; or (vi) laboratory delays not caused by Artist (or any party under Artist's control or authority).

## 9. APPROVALS AND CONTROLS.

9.1 Approvals and Controls. As between Artist and Company, Company shall have all approvals and controls (business, creative or otherwise) with respect to the Picture; provided that upon the conditions that Artist is not in Default, that Artist fully performs all of the material services required to be performed by Artist hereunder (provided, however, Artist's consultation rights shall terminate if the Picture is not or will not be completed under Artist's supervision as a director thereof) and subject to Section 9.2 below, Artist shall have the following rights:

9.1.1 Consultation Rights. Artist shall have the right to consult with Company with respect to the selection of the key creative elements of the Picture, including, without limitation, the screenplay, production and post-production schedules, the writer(s), composer, principal voice cast, department heads and other directors and producers to be engaged after Artist has commenced services in connection with the Picture (other than production auditor, accountant and/or line producer, all of whom shall be designated by Company in its sole discretion), with Company's decisions being final. Artist hereby acknowledges that other parties may have similar consultation rights with respect to the Picture.

9.2 Exercise of Consultation Rights. All consultation rights, if any, granted to Artist hereunder shall be subject to the following: (i) Artist being available as, when and where reasonably required for the exercise of such rights (provided that, if practicable, Artist's telephonic availability shall satisfy this requirement); (ii) such rights being exercised in a

reasonable manner and not so as to frustrate Company's full and timely development, production and/or exploitation of the Picture; (iii) such rights are personal to Artist and may not be exercised by any other person or entity; (iv) Company's determination shall be final with respect to any matter with respect to which Artist has consultation rights hereunder; and (v) Company shall not be obligated to incur any additional costs with respect to such consultation rights and (vi) if mutual agreement is not reached as to any item(s) or individual(s) with respect to which Artist has approval rights Company may designate such item(s) or individual(s) in its sole discretion. Artist's consultation rights, if any, with respect to the selection of personnel in connection with the Picture shall be further subject to (s) Company not being aware of any prior negative experience with such persons, (t) Company not incurring additional residual obligations as a result of union or guild jurisdiction applicable to such persons, (u) Company not being required to hire duplicate personnel because such persons are outside the jurisdiction of the union or guild for the location where the Picture is being produced, (v) such persons not acting in the designated capacity for the first time on a major studio motion picture, (w) such persons' availability, (x) applicable collective bargaining agreements (including seniority rosters), (y) EEOC requirements, and (z) Company's ability to hire such persons within the Approved Budget.

10. UTILIZATION OF SERVICES. Notwithstanding any contrary provision of this Agreement, Company shall have no obligation to use any of Artist's development and/or production services or to include the results and proceeds thereof in the Picture, or to develop, produce, release or otherwise exploit the Picture, and Company may at any time abandon development and/or production of the Picture and/or terminate Artist's services in connection with the Picture for any reason, with or without cause. Artist hereby releases and discharges Company from all liabilities for any loss or damage Artist may suffer as a result of Company's abandonment of the Picture and/or failure to develop, produce, release, distribute, advertise or otherwise exploit the Picture and/or failure to utilize Artist's development and/or production services in connection with the Picture or termination of Artist's services in connection with the Picture for any reason, with or without cause; provided, however, that (a) if Company terminates Artist's services on the Picture without cause, Artist shall be entitled to receive the applicable Termination Payment (if any) and the vested portion of Contingent Compensation (if any) in accordance with the terms hereof, and (b) nothing in this Section shall affect the parties' respective indemnification obligations and Company's insurance obligations hereunder. If Company becomes obligated to pay to Artist the Termination Payment following a termination without cause during the Initial Term, Artist shall have an obligation to mitigate, and if Artist performs services for any third party during what would have been the period of Artist's exclusive services hereunder (if Artist's services had not been terminated), Artist shall promptly notify Company in writing of the terms of such engagement and all sums payable to Artist for such third party services shall automatically offset and reduce (on a dollar-for-dollar basis) the amount payable by Company to Artist hereunder. Nothing herein shall be deemed to obligate Artist to seek out any such third party services. (For purposes hereof, a termination shall be deemed to be "with cause" if the termination is for any reason set forth in the Standard Terms, including without limitation Artist's Default, Artist's Disability or an event of Force Majeure, and a termination shall be deemed to be "without cause" if the termination is for any reason other than those set forth in the Standard Terms)

11. NAME AND LIKENESS. Company shall have the right, throughout the universe in perpetuity, in any and all media now or hereafter known or devised, to use and reproduce, and grant others the right to use and reproduce, Artist's name, voice, image, likeness (provided, however, that Artist shall have the right to submit posed publicity stills reasonably acceptable to Company, it being understood that Artist shall not have a right of approval over "behind-the-scenes" and/or candid photography of Artist), attributes and pre-approved biographical data in connection with (i) the Picture and the exhibition, advertising, promotion and/or other exploitation thereof (including, without limitation, in connection with "commercial tie-ins," featurettes, "behind-the-scenes" programming and interviews), and (ii) advertising, promotion and/or other exploitation of any and all ancillary or subsidiary rights relating to the Picture (including without limitation soundtrack albums, Picture-related publications and merchandising), and (iii) general corporate or institutional uses by Company and/or its parents, affiliates or subsidiaries (e.g., trade shows; corporate meetings and in-house promotions; financial prospectuses and annual reports; archival uses; displays at corporate business locations and properties) or for promotion of their products; provided, however, that in no event shall Artist be depicted as endorsing any product, commodity or service without Artist's prior consent; provided further that Company's use of Artist's name in a billing block or as part of the key art shall not constitute an endorsement requiring Artist's consent. If Artist does not provide pre-approved biographical data or publicity stills within a reasonable period after Company's request therefor, Company shall have the right to use any biographical data or likeness of Artist in its discretion.

12. PUBLICITY AND PROMOTION.

12.1 Promotional and Publicity Services. Artist shall render a reasonable and customary amount of promotional services ("Promotional Services") required by Company, as, where and when reasonably required by Company (both during production of the Picture and in connection with the initial theatrical and video release of the Picture), in connection with the publicity and promotion of the Picture. Company shall consult with Artist regarding the precise Promotional Services to be rendered by Artist and shall not require Artist to perform any particular Promotional Services which Artist finds personally offensive, provided that Artist performs other comparable Promotional Services (e.g., Company will not require Artist to appear on a particular talk show if Artist has personally had a previous problem with the host of that talk show, provided that Artist appears on a reasonable number of other talk shows as required by Company). If Company requires Artist to render Promotional Services hereunder at a Location (as defined in Section 16 below), Company shall provide Artist with or reimburse Artist for transportation and travel expenses within the parameters of Section 16.2 below incurred in connection with such Promotional Services.

12.2 Publicity Limitations. Artist shall not issue, release, authorize or in any way participate in any publicity, press releases, interviews, advertisements or promotional activities relating to Company, the Picture or Artist's services hereunder without the prior written consent of Company, except personal publicity in which the Picture is only incidentally mentioned ("Personal Publicity"). No publicity issued by Artist, whether Personal Publicity or otherwise, shall contain derogatory mention of Company, the Picture, or the services of Artist or others in connection with the Picture. Artist may not disclose any confidential information with respect to Company or the Picture (including, without limitation, the budget thereof or the terms of any contracts for services of persons engaged in connection with the Picture) without Company's

prior consent, except as required by law or for information disclosed to Artist's agents, attorneys, and business representatives as required for such representative to properly provide services to Artist (provided that the applicable party is restricted from any further disclosure).

13. VACATION. Artist shall be entitled to up to ten (10) days of paid vacation per year during the Term which may be taken as accrued.

14. DVD. Provided that Artist has rendered all services which Company may require and Artist is not in Default, Company shall provide Artist with one (1) DVD of the Picture at such time, if ever, as DVD's of the Picture become generally commercially available.

15. UNITED STATES PREMIERE. Provided that Artist has rendered all services which Company may require and Artist is not in Default, Company shall invite Artist and Artist's personal companion to one (1) United States celebrity premiere of the Picture, if any, and if such premiere is at a Location (as defined below), in connection therewith, shall furnish Artist and Artist's companion with first-class round trip transportation (by air, if appropriate) and shall provide Artist only with first-class hotel accommodations and an appropriate per diem allowance within the parameters of Section 16.2.

16. TRAVEL AND EXPENSES. If Company requires Artist to render services hereunder (other than for publicity or promotional services) at a location ("Location") that is more than fifty (50) miles from any location at which Artist maintains a residence ("Residence"), Company shall provide Artist with or reimburse Artist for the following:

16.1 Transportation. One (1) round-trip air transportation between Artist's Residence and the Location. If such air travel is of more than three (3) hours duration, such air transportation shall be first class (if available and if used); and if such air travel is of three (3) hours duration or less, such air transportation shall be business class (if available and if used; and if not available, coach class). On a one-time only basis, if Artist is required to be on a single Location in excess of fourteen (14) consecutive days during production of the Picture, Artist shall be entitled to one (1) such additional round-trip transportation for Artist's non-business related companion (if available and used for this purpose). Notwithstanding anything above to the contrary, if, at Company's request, Artist is required to travel more than fifty (50) miles to a location at which Artist maintains a secondary residence (it being acknowledged that Artist's primary residence is in Los Angeles) in order to render services hereunder, then Artist shall be accorded transportation (but not living expenses) in accordance with this Section 16.1.

16.2 Expenses. Subject to Company's verification that Artist does not maintain a Residence at any applicable Location, reimbursement of the cost of Artist's actual out-of-pocket living expenses at the Location, provided such cost does not exceed TWO THOUSAND FIVE HUNDRED DOLLARS (\$2,500) per week in New York City, Paris and London; TWO THOUSAND DOLLARS (\$2,000) per week in other major high-expense cities; or ONE THOUSAND FIVE HUNDRED DOLLARS (\$1,500) per week elsewhere, prorated on the basis of a seven (7) day week; provided, Artist shall not be reimbursed for any expenses incurred pursuant to this Section until such expenses have been accounted for to Company and Company has been furnished with original supporting vouchers, receipts or other customary documentation

in form satisfactory to Company verifying such expenses.

16.3 Ground Transportation. Company shall provide Artist with ground transportation on a non-exclusive basis (provided, however, Artist shall not be required to share such transportation with other than above-the-line personnel) (a) to and from work each working day while Artist is required by Company to be on Location and (b) to and from the airport when Artist is required by Company to travel by air to Locations.

16.4 Arrangements. All travel arrangements, including, without limitation, the purchase or booking of airline tickets and accommodations, shall be made through Company's travel/location department, unless Company's prior written consent is obtained.

17. REMAKES, SEQUELS AND TELEVISION PROGRAMS. Provided that (i) Artist is not in Default hereunder and (ii) the Picture is completed under Artist's supervision as a director thereof and (iii) the final actual direct cost of the Picture (excluding Excluded Costs set forth in Section 8 above) does not exceed the amount of the Approved Budget by more than ten percent (10%) of the below-the-line costs set forth in the Approved Budget, and (iv) the Picture is not based on any of Company's "Library" properties (i.e., not based on any motion picture, television program or other previously produced work which was financed, produced and/or distributed by Company) (Company acknowledges the Picture is not based on Company's "Library" property) and (v) Artist's meeting with the creative executive(s) designated by Company for the Remake, Sequel or Television Program to review the creative direction and approach of such Remake, Sequel or Television Program, and the parties reaching agreement respecting such creative direction and approach, as determined by Company, the following provisions shall apply:

17.1. Definitions.

17.1.1 "Remake" means an audiovisual work, whether intended to be initially released as a theatrical motion picture, television production or otherwise, produced subsequent to the Picture and which is based upon and contains substantially the same story, elements and leading characters as are contained in the Picture notwithstanding that the form or manner of presentation may be different.

17.1.2 "Sequel" means an audiovisual work, whether intended to be initially released as a theatrical motion picture, television production or otherwise, produced subsequent to the Picture and which:

A. utilizes as a principal character one or more of the principal characters or as a basis or underlying theme an event embodied in the Picture or any other literary material upon which such audiovisual work was based; provided, however, for purposes of this Section 17, if the only characters who appear in both the Picture and the subsequent audiovisual work are real people and/or characters in the public domain, the subsequent audiovisual work shall not be deemed a "Sequel" unless it is intended to be marketed as a "Sequel" to the Picture; and

B. said principal character(s) is (are) shown as participating in, or such event is shown as occurring with respect to, for the most part, new and different events and situations from the events and situations in which said principal character(s) participated or said event occurred in the Picture; and

C. the story or plot is different from that upon which the Picture is based.

The term "Sequel" does not include any Remake or any Remake of any Remake, but shall include a so-called "prequel" or a motion picture based upon a sequel to the literary property upon which the Picture is based (if any), written by the author of such property.

**17.2 Theatrical Sequels and Remakes.** If, within seven (7) years from the initial theatrical release of the Picture in the United States, Company or its assignee or designee elects to produce in the English language a scripted, animated feature-length Sequel (including a so-called "prequel") or Remake motion picture which is intended to be initially exploited as a theatrical motion picture in the United States and, at such time, Artist (a) is active as a director of feature-length theatrical motion pictures, (b) is not an executive of a major or mini-major motion picture and/or television production and/or distribution company, and (c) is ready, willing and able to render directing services as, when and where reasonably required by Company (it being understood that Company shall have no obligation to schedule a derivative production around Artist's prior commitments), Company shall offer ("Company's Offer") Artist the opportunity to render services as director of the first such Sequel or Remake, as the case may be and in respect of each subsequent Sequel or Remake, provided Artist has rendered services on the immediately preceding Sequel or Remake, as applicable, and that all other conditions set forth in this Section 17.2 are satisfied and all conditions set forth in the preamble to Section 17 are satisfied (as if those conditions applied to the immediately preceding Sequel or Remake, as applicable, in addition to applying to the Picture. If the anticipated production budget (exclusive of any supervisory fee, contingency, bond fee, and interest and finance charges) ("Direct Budget") for the applicable theatrical Remake or Sequel, as determined by Company in its sole good faith discretion, is equal to or greater than the Direct Budget for the Picture, then the fixed and contingent compensation set forth in Company's Offer with respect to such Remake or Sequel shall be no less favorable to Artist than the fixed and contingent compensation set forth in this Agreement including, without limitation, a rolling right of first negotiation for Remakes and Sequels similar to the right contained in this 17.2. If (i) Artist fails to give Company written notice of Artist's desire to negotiate regarding Company's Offer within ten (10) business days thereof, or (ii) within fifteen (15) business days after the commencement of good faith negotiations, Artist and Company fail to reach a mutually satisfactory agreement with respect to Artist's services in connection with such Remake or Sequel, or (iii) Artist shall be unavailable to render services in connection therewith as, where or when reasonably required by Company or (iv) Artist does not substantially perform all services required by Company in connection with a prior Remake or Sequel directed by Artist, Company's Offer shall terminate and Company shall be released from any further obligation with respect to such Remake or Sequel or any subsequent Remakes or Sequels and any obligations to Lender or Artist with respect to a Television Program pursuant to the immediately succeeding section.

17.3 Television Programs. If, within seven (7) years from the initial theatrical release of the Picture in the United States, Company or its assignee or designee proposes to produce in the English language for exhibition, on prime-time free, basic cable, or pay cable (*e.g.*, HBO, Showtime, or TNT) television in the United States, a program based upon the Picture (or any Artist-directed theatrical Sequel thereto) in the form of an animated scripted movie-of-the-week, mini-series or pilot for a series of episodic television programs (or the first episode or a so-called "presentation" or equivalent prototype for such series if there is no pilot) or direct-to-video productions (for purposes of this Section 17 only) (collectively, "Television Program"), and at such time Artist (a) is active as a director of theatrical or television motion pictures, (b) is not an executive of a major or mini-major motion picture and/or television production and/or distribution company, (c) is approved by the applicable television network and/or other licensing entity thereof and, (d) is ready, willing and able to render directing services as, when and where reasonably required by Company (it being understood that Company shall have no obligation to schedule a derivative production around Artist's prior commitments), Company shall offer ("Company's Television Offer") Artist the opportunity to furnish Artist's services as director of the first such Television Program upon terms and conditions to be negotiated in good faith between Company and Artist and in respect of each subsequent Television Program, provided Artist has rendered services on the immediately preceding Television Program and that all other conditions set forth in this Section 17.3 are satisfied and all conditions set forth in the preamble to Section 17 are satisfied (as if those conditions applied to the immediately preceding Television Program in addition to applying to the Picture). Any agreement which may be included for Artist's directing services on a Television Program shall include a rolling right of first negotiation for further Television Programs similar to the right contained in this Section 17.3. If either (i) Artist fails to notify Company in writing within ten (10) business days of Company's Television Offer of Artist's desire to negotiate regarding Company's Television Offer or (ii) within fifteen (15) business days after the commencement of good faith negotiations, Company and Artist fail to reach a mutually satisfactory agreement with respect to Artist's services in connection with such Television Program or (iii) if Artist is unavailable to render services in connection therewith, as and when reasonably required by Company or (iv) Artist does not substantially perform all services required by Company in connection with a prior Television Program or theatrical Television Program Remake or Sequel directed by Artist, Company's Television Offer shall terminate and Company shall be released from and discharged of any further obligations to Artist pursuant hereto with respect to such Television Program or any subsequent Television Program and any obligations to Artist with respect to subsequent theatrical Remakes and Sequels pursuant to the Section 17.2.

18. RELOCATION. The Company shall pay Artist a relocation allowance of THIRTY-FIVE THOUSAND DOLLARS (\$35,000) ("Relocation Allowance"); provided, that, if Artist uses Company's services in connection with the relocation, expenses shall be deducted from the Relocation Allowance.

19. OFFICE AND ASSISTANT. During the Term, Company shall furnish Artist with an office and the shared services of one (1) assistant, the costs of which shall be included as direct costs of production of the Picture.

20. ENTIRE AGREEMENT/STANDARD TERMS. All other terms and conditions of Artist's

**EXECUTED**

DIRECTING SERVICES AGREEMENT

services hereunder (including, without limitation, injunctive relief and Company's rights of suspension and/or termination in the event of Default, Disability or Force Majeure) are set forth in Company's Standard Terms and Conditions applicable to the services of directors (the "Standard Terms") attached hereto and incorporated herein by this reference. This Agreement (including the Standard Terms) constitutes the entire understanding of the parties hereto and replaces any and all former agreements, understandings and representations relating in any way to the subject matter hereof. No modification, alteration or amendment of this Agreement shall be valid or binding unless it is in writing and signed by the party to be charged with such modification, alteration or amendment.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

SONY PICTURES ANIMATION INC.

By: \_\_\_\_\_

Its: \_\_\_\_\_

\_\_\_\_\_  
DOUG SWEETLAND  
[Please sign in blue ink]

EXECUTION DATE: \_\_\_\_\_

**EXECUTED**

DIRECTING SERVICES AGREEMENT

CERTIFICATE OF OWNERSHIP OF RESULTS AND PROCEEDS (DIRECT)

[see attached]

**STANDARD TERMS AND CONDITIONS**  
**(DIRECTOR'S AGREEMENT - DIRECT)**  
**(DEVELOPMENT AND DIRECTING)**

These Standard Terms and Conditions ("Standard Terms") are part of, and are incorporated into, that certain agreement ("Underlying Agreement"), dated as of September 16, 2010, between SONY PICTURES ANIMATION INC. ("Company"), and DOUG SWEETLAND ("Artist") relating to Artist's directing services in connection with the animated motion picture tentatively entitled "THE FAMILIARS" (the "Picture"). These Standard Terms and the Underlying Agreement shall hereinafter be collectively referred to as the "Agreement." Unless expressly provided to the contrary herein, (i) all terms used herein shall have the same meaning as set forth in the Underlying Agreement and (ii) to the extent that any provision of these Standard Terms conflicts with any provision of the Underlying Agreement, the Underlying Agreement shall control. The term "Section(s)" refers to the numbered provisions of the Underlying Agreement and the term "Paragraph(s)" refers to the numbered provisions of the Standard Terms.

1. **ARTIST'S SERVICES; FACILITIES.** Artist shall render services to Company as a director of the Picture as follows:

1.1 **Standards of Performance.** Artist's services will be rendered either alone or in cooperation with other persons in such manner as Company may direct, under the instructions and in strict accordance with the controls and schedules established by Company's authorized representatives and at the times, places and in the manner reasonably required by said representatives. Such services shall be rendered in an artistic, conscientious, efficient and punctual manner to Artist's best ability and with full regard to the careful, efficient, economical and expeditious production of the Picture within the budget, shooting schedule and policies established by Company (including, without limitation, the terms and conditions of the Equal Employment Acknowledgement attached hereto and incorporated herein by reference), it being understood that Company's production of motion pictures involves matters of discretion to be exercised by Company in respect to art and taste and Artist's services and the manner of rendition thereof are to be governed by Company.

1.2 **Facilities.** The Picture shall be produced at the Sony Pictures Studios or at such other studio and locations and using such other facilities, services and equipment as shall be approved by Company. All post-production work for the Picture shall be performed at Sony Pictures Studios or a facility owned by Sony Pictures Entertainment (or one of its affiliates) or such other post-production facility as Company may designate in writing. The soundtrack of the Picture shall utilize Sony Dynamic Digital Sound ("SDDS") or such other sound system as Company may designate in writing. No digital sound system other than SDDS shall be utilized in connection with the Picture unless approved by Company in writing.

2. **COMPANY'S OWNERSHIP RIGHTS; DROIT MORAL.** Company hereby is and shall be the sole and exclusive owner and is the sole author for all purposes (including under the Copyright laws of the United States), in perpetuity (but in any event for not less than the period of copyright and any renewals and extensions thereof) and throughout the universe, of all of the following from the moment of their creation, at every stage of their development, production, or

completion: (i) all right, title and interest in and to the Results and Proceeds (as defined below) of Artist's services hereunder, all of which shall be a "work made for hire" for Company prepared within the scope of Artist's employment and/or as a work specially ordered or commissioned for use as a part of a motion picture or other audio-visual work; (ii) all right, title and interest in and to the Picture and the material upon which it is based, including, but not limited to, the copyright in and to the Picture and any renewals and extensions of such copyright and all moral rights of authors with respect thereto; (iii) all distribution, exhibition, publication, communication, exploitation, broadcast, transmission, sale, licensing, allied, ancillary and/or subsidiary rights with respect to the Picture and/or the Results and Proceeds in any and all media, whether now or hereafter known, including, without limitation, all of the following: theatrical; non-theatrical (including airlines, ships and other carriers, military, educational, industrial and the like); pay-per-view; home video (including videocassettes, digital videodiscs, laserdiscs, CD-ROMs and all other formats); all forms of television (including pay, free, network, syndication, cable, satellite, high definition and digital); video-on-demand, near video-on-demand, and subscription-on-demand; all forms of digital or on-line exploitation, distribution and/or transmission (including, without limitation, the internet), CD-ROMs, digital videodiscs, satellite, fiber optic or other exhibition, broadcast and/or delivery systems and/or computerized or computer-assisted media; all rights of communication to the public, rights of distribution to the public, rights of making available or other forms of public or private communication and/or distribution; and all forms of dissemination, communication or distribution to one or more locations or parties whether embodied or transmitted using analog, digital or other format; and (iv) all other tangible and intangible rights of any nature relating to, and all proceeds and benefits of any nature derived from, the Picture and/or the Results and Proceeds, including merchandising, co-promotion and commercial tie-in rights with respect to all commodities, services and/or products of any kind now known or hereafter devised. Without limiting the foregoing, in the event that any of the Results and Proceeds are not deemed to be a "work made for hire" for Company, Artist hereby irrevocably and exclusively assigns to Company (or if any applicable law prohibits or limits such assignment, Artist hereby irrevocably licenses to Company) all right, title and interest in and to such Results and Proceeds (including all copyrights therein and thereto and all renewals and extensions thereof), and all rights to exploit the same throughout the universe, in perpetuity (but in any event for not less than the period of copyright and any renewals and extensions thereof), in any and all media, whether now or hereafter known or devised. Artist, on Artist's behalf and on behalf of Artist's heirs, successors and assigns, hereby waives any so-called "moral rights of authors" and "*droit moral*" rights and any similar or analogous rights under the applicable laws of any country of the world (including, without limitation, the so-called right of paternity [*droit a la paternite*], right of integrity [*droit au respect de l'oeuvre*], right of withdrawal [*droit de retrait* or *droit de repentir*] and/or right of publication [*droit divulgation*]) which Artist may have in connection with the Picture or the Results and Proceeds, and to the extent such waiver is unenforceable, Artist hereby covenants and agrees on Artist's behalf, and on behalf of Artist's heirs, successors and assigns, not to bring any claim, suit or other legal proceeding against Company, its successors, assigns or licensees claiming that any of Artist's "moral rights" or "*droit moral*" rights have been violated. Artist further hereby irrevocably assigns to Company (or if any applicable law prohibits or limits such assignment, Artist hereby irrevocably licenses to Company), in perpetuity (but in any event for not less than the period of copyright and any renewals and extensions thereof) throughout the universe, all of Artist's rights, if any, to authorize, prohibit and/or control the renting, lending,

fixation, reproduction, importation and/or other exploitation of the Picture by any media and/or means now or hereafter known or devised as may be conferred upon Artist under applicable laws, regulations or directives, including, without limitation, any so-called "Rental and Lending Rights" pursuant to any treaty, European Union ("EU") directives and/or enabling or implementing legislation, or any law or regulation enacted by the member nations of the EU or any other jurisdiction. The parties agree that the United States of America is the country of origin of the Picture. The producer of the Picture, and the person providing the funding for its production and having final cut of the Picture is a corporation organized under the laws of the state of California, United States of America. As used herein, "Results and Proceeds" shall mean all results and proceeds of Artist's services under this Agreement or otherwise relating to the Picture, including all themes, plots, characters, formats, ideas and stories contained therein and all other materials of any kind created or developed by Artist during the period of Artist's exclusive services hereunder and all so-called "moral rights of authors" or "*droit moral*" rights (including, without limitation, the so-called right of paternity [*droit a la paternite*], right of integrity [*droit au respect de l'oeuvre*], right of withdrawal [*droit de retrait* or *droit de repentir*] and/or right of publication [*droit divulgation*]) with respect to any of the foregoing, and the right to make such changes therein and/or uses thereof as Company shall from time to time determine in its sole discretion. Artist acknowledges that Artist has no ownership interest or other rights of any kind in and to any character in the Picture and that Company shall have the exclusive and unfettered right to portray, merchandise, promote or otherwise exploit such characters (including the right to use other performers to portray such characters) in any manner and at any time, free and clear of any obligation to Artist.

3. FLAT FEE BASIS. The Yearly Salary is a "flat fee" and Artist shall not be entitled to any additional and/or so-called "overage" compensation for any services rendered by Artist during the development, pre-production, production or post-production phases or for any additional post-production services rendered by Artist, nor shall any additional compensation be payable to Artist for any services rendered by Artist at night, on Saturdays, Sundays, holidays or after the expiration of any particular number of hours of services in any day. Without limiting the generality of the foregoing, no additional compensation shall be payable to Artist pursuant to this Agreement if the actual periods of pre-production, production and/or post-production of the Picture shall exceed the scheduled times for such periods, or for any cutting and editing or Promotional Services rendered pursuant to this Agreement. Artist hereby acknowledges that the compensation payable hereunder includes adequate and equitable remuneration for the Rental and Lending Rights and constitutes a complete buy-out of all Rental and Lending Rights. In connection with the foregoing, Artist hereby irrevocably grants and assigns to Company, throughout the universe, in perpetuity, the right to collect and retain for Company's own account any and all amounts otherwise payable to Artist in respect of Rental and Lending Rights and hereby irrevocably directs any collecting societies or other persons or entities receiving such amounts to pay such amounts to Company and to the extent Company does not so collect such amounts, or is deemed ineligible to collect such amounts, Company may, in Company's sole discretion, deduct from any and all amounts otherwise payable by Company to Artist any and all amounts paid or payable to Artist by any party in respect of Rental and Lending Rights.

4. INJUNCTIVE RELIEF. Artist acknowledges and agrees that the services to be rendered by Artist hereunder 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 may not be reasonably compensated in damages; that if Artist breaches any provision of this Agreement, Company will be caused irreparable damage; and that, therefore, Company shall be entitled, as a matter of right, at its election, to seek to enforce this Agreement and all of the provisions hereof by seeking injunction or other equitable relief.

5. SUSPENSION AND TERMINATION.

5.1 Suspension.

5.1.1 Company's Suspension Rights. Artist's services and the accrual of compensation and/or other payment obligations hereunder shall be automatically suspended (unless Company notifies Artist otherwise) during all periods when:.

A. Disability. Artist is unable to perform Artist's material obligations hereunder by reason of mental or physical disability (including the death of Artist) ("Disability"). If Company has reason to believe Artist is disabled or if any claim of Disability is made by or on behalf of Artist, Company shall have the right to have Artist examined by such physician(s) as Company may designate, with Artist's physician present (at Artist's sole cost) if Artist so requests, provided that such physician does not interfere with the examination conducted by Company's physician;

B. Default. Artist fails, refuses or neglects to comply with Artist's material obligations hereunder or (directly or through any representative) states an intention to do so ("Default"); and/or

C. Force Majeure. As a result of any Act of God; war; accident; fire; strike; lock-out or other labor controversy; riot; civil disturbance; act of public enemy; law, enactment, rule, restraint, order or act of any governmental instrumentality or military authority; failure or inability to obtain any necessary permit or license; failure of technical facilities; inability to obtain sufficient labor, technical or other personnel (including, without limitation, cast or crew members); failure, delay or reduction in transportation facilities or water, electricity or other public utilities; death, disability, disfigurement (with respect to cast only), or unavailability of or inability to obtain life, accident, cast or health insurance (*i.e.*, so-called "cast insurance"), at customary rates and subject only to customary exclusions and deductible amounts, for a principal member of the cast, the director, any producer or key crew member or inability to obtain visas, labor permits or other governmental licenses for any such persons (other than Artist); any breach by any third party of its obligations to Company; or any other cause not reasonably within Company's control or which Company could not by reasonable diligence have avoided, Company is materially hampered in the development or production of the Picture or Company's normal business operations become commercially impracticable ("Force Majeure"). Company shall not suspend Artist more than once for the same event of Force Majeure for the purpose of defeating Artist's termination right as set forth below.

Company shall use good faith efforts to confirm any suspension hereunder in writing promptly or as soon as reasonably practicable after such suspension takes effect; provided, however, that no inadvertent failure by Company to do so shall constitute a breach by Company hereunder and

in no event shall such written notice be deemed a condition subsequent to the effectiveness of such suspension.

Notwithstanding the foregoing, Company shall not suspend or terminate Artist's services due to an event of Force Majeure unless the services of all similarly situated above-the-line personnel (other than persons who have completed their services [except for promotional services] on the Picture) have also been suspended or terminated (provided that the foregoing limitation shall not apply if the event of Force Majeure is an "Own-Union Strike," as defined below) (it being understood that a person rendering line producing services shall be deemed not to be similarly situated).

5.1.2 Effect of Suspension. Any suspension hereunder shall be for the duration of any such Force Majeure, Disability or Default plus such reasonable period of time as may be deemed necessary by Company to commence or recommence development, pre-production or production of the Picture and, unless Company notifies Artist in writing to the contrary, Artist's services hereunder shall be automatically extended by such number of days as equal the total number of days of such suspension. A suspension shall not relieve Artist of any of Artist's obligations to perform hereunder. During any suspension, Artist shall not render any services for others or for him/herself in the field of entertainment, except that during a suspension predicated on Force Majeure, Artist may render such other services, provided that any and all commitments for such services are subordinate to the obligations of Artist's services hereunder, including Artist's obligation to resume rendering services to Company promptly (*i.e.*, within forty-eight (48) hours, which period shall be increased to five [5] days if Artist is then rendering services for third parties) upon Artist's (or Artist's representative's) receipt of written notice of termination of the suspension. Payment of any compensation accrued and unpaid prior to the suspension shall be subject to all of Company's rights and remedies (including the right of offset) for Artist's Default.

## 5.2 Termination.

### 5.2.1 Termination Rights of the Parties.

A. Artist's Termination Right. If a suspension predicated on Force Majeure (excluding a strike by a guild or union of which Artist is a member ["Own-Union Strike" continues for eight (8) or more consecutive weeks or for an aggregate of ten (10) or more weeks, Artist may give Company written notice of Artist's desire to terminate this Agreement, and unless Company terminates such suspension within seven (7) business days after its receipt of such notice, this Agreement shall terminate.

B. Company's Termination Rights. Company shall have the right to terminate Artist's services upon the occurrence of any of the following by delivering written notice to Artist:

(i) Artist's Disability continuing for either five (5) business days during the Pre-Production Period or the Production Period of the Picture or at any other time, ten (10) or more consecutive business days or an aggregate of fifteen (15) or more business days;

(ii) Default; provided, however, that if (y) such Default is inadvertent (*i.e.*, not intentional or repeated) and is by its nature reasonably curable, and (z) allowing

Artist to cure such Default will not result in additional expense to Company, then on a one-time-only basis Artist shall have a period of forty-eight (48) hours (which period shall be reduced to twenty-four [24] hours during the pre-production and production periods) from the date of notice from Company of such Default within which to cure the first such Default;

(iii) If an event of Force Majeure: (aa) occurs prior to or on the Start Date; or (bb) occurs after the Start Date and continues for eight (8) or more consecutive weeks or for an aggregate of ten (10) or more weeks (such period to be reduced to two [2] weeks during production periods); or (cc) arises from an Own-Union Strike; or (dd) affects development and/or production in a manner incapable of being corrected within the foregoing time periods; or (ee) has an impact that, at the time of onset, can reasonably be expected to continue for not less than two weeks; or

(iv) Any event or contingency expressly provided for in this Agreement.

5.2.2 Effect of Termination. If Artist or Company terminates this Agreement in accordance with the provisions of this Paragraph, Company shall be released and discharged from any liability or obligation whatsoever to Artist hereunder; provided, however, that (i) if Company terminates this Agreement pursuant to this Paragraph for any reason other than Artist's Default, Artist shall be entitled to receive that portion of the applicable Yearly Salary that has theretofore accrued and become payable to Artist pursuant to the Agreement for services rendered by Artist prior to the date of such termination and (ii) the representations and warranties and indemnification obligations of the parties hereunder shall survive such termination and Company's insurance obligations under this Agreement shall continue in full force and effect and (iii) neither Company's ownership of the Picture nor any grant of rights to Company hereunder shall be affected, limited or terminated in any way by any termination or cancellation of this Agreement for any reason.

5.3 Company's Breach. No act or omission of Company hereunder shall constitute a default or breach of this Agreement unless Artist shall first notify Company in writing setting forth such alleged breach or default and Company shall not cure the same within thirty (30) days after receipt of such notice, except that with respect to Company's failure to make payment to Artist hereunder, the cure period shall be five (5) business days following Company's actual receipt of such notice.

5.4 Other Agreements. Any breach or Default by Artist of any other agreement between Company and Artist for Artist's services in connection with the Picture ("Other Services Agreements") shall constitute a breach or a Default by Artist under this Agreement. Any breach or Default by Artist under this Agreement shall constitute a breach or Default by Artist under the Other Services Agreements. No breach or Default by Artist under this Agreement, the Other Services Agreement (or any other agreement between Company and Artist, whether or not related to the Picture), or any failure to consummate agreements between Company and Artist (whether or not related to the Picture), shall affect Company's acquisition of rights in connection

with the Picture (or any material upon which the Picture is based or which is incorporated therein) pursuant to any rights agreement with Artist or any other third parties.

6. NOTICES. All notices required hereunder shall be in writing and shall be given either by personal delivery, telecopy/facsimile or by United States mail (postage prepaid), and shall be deemed given hereunder on the date personally delivered or telecopied, or the date two (2) business days after the date mailed if mailed in the United States, and five (5) business days after the date mailed if mailed outside of the United States. Until further notice, the addresses of the parties shall be as follows:

6.1 For Artist, as indicated in the Underlying Agreement.

6.2 For Company:

Sony Pictures Animation Inc.  
10202 West Washington Blvd.  
Culver City, California 90232  
Attention: Executive Vice President, Legal Affairs  
Facsimile: (310) 244-1357

7. REPRESENTATIONS AND WARRANTIES. Artist represents and warrants that:

7.1 Authority and Non-Interference. Artist is free to enter into this Agreement; Artist has the right to render services in accordance with the terms and conditions hereof; Artist is not subject to any obligation or disability which would materially interfere with or prevent the full performance by Artist of Artist's services hereunder; and Artist has not done, nor will Artist do, any act, and Artist has not made, nor will Artist make, any grant or assignment, which will or might interfere with the complete enjoyment of the rights and privileges herein granted to Company.

7.2 Created Material. Neither the Picture, nor any part thereof, nor any material upon which the Picture is based that is written or created by Artist, shall violate or infringe the copyright, nor, to the best of Artist's knowledge or to the extent that Artist should have known in the exercise of reasonable prudence, violate the rights of privacy or publicity or constitute a libel or slander of any person, firm or corporation, or violate or infringe the literary, dramatic, photoplay, personal, private, civil, property or any other rights whatsoever of any person, firm or corporation. All material, works, writings, ideas, "gags" or dialogue written, composed, prepared, submitted or interpolated by Artist in connection with the Picture or its preparation or production, shall to the best of Artist's knowledge, be wholly original with Artist and shall not be copied in whole or in part from any other work, except for material submitted to Artist by Company for inclusion in and included in the Picture or material in the public domain.

Company makes no warranties, express or implied, other than as specifically set forth in this Agreement.

8. INDEMNITY.

8.1 Artist shall indemnify and hold Company, its parents, affiliates, subsidiaries, employees, directors, officers, agents, successors, assigns and licensees, and each of them, harmless from and against any and all liabilities, judgments, losses, claims, demands, damages, penalties, interest, costs and expenses of every kind whatsoever (including, without limitation, reasonable outside attorneys' and accountants' fees and disbursements) (collectively, "Expenses") suffered or incurred by Company, the aforementioned parties and/or any of them, arising out of or resulting from any Default by Artist, or any breach by Artist of Artist's representations and warranties hereunder and/or resulting from Artist's intentional torts or reckless or grossly negligent conduct. Company shall defend (selecting its own counsel), indemnify and hold Artist harmless from and against any and all Expenses suffered or incurred by Artist, arising out of or by reason of or resulting from any third party claim based upon material submitted by Company to Artist for inclusion in and included in the Picture and/or by reason of any third party claim arising out of Company's development, production, distribution and/or exploitation of the Picture; provided, however, that the foregoing indemnification shall not apply to any Expenses or third party claims arising out of or resulting from Artist's intentional torts or reckless or grossly negligent conduct (or other conduct by Artist which is not authorized by Company and is outside of the scope of Artist's employment by Company) or from any breach of Artist's covenants, representations or warranties hereunder.

8.2 Notwithstanding the foregoing, in connection with any claim arising out of the development, production, distribution, or exploitation of the Picture which alleges that material contained in the Picture constitutes a breach by Artist of Artist's representations and warranties hereunder (hereinafter, "Claim"), Company shall defend Artist against any such Claim, provided that Artist shall give Company prompt written notice of the Claim and shall cooperate fully with Company and comply with Company's instructions in connection with the defense thereof. Company shall control the defense of any such Claim and shall have the right to dispose of and/or settle such Claim as Company deems appropriate and Artist shall not compromise or settle any such Claim without Company's prior written consent. Notwithstanding Company's defense or settlement of any Claim on behalf of itself and/or Artist, Company reserves all rights, both in equity and at law, against Artist (including the right to recover any Expenses incurred by Company in connection with the defense, settlement or other disposition of any such Claim) to the extent such Claim arises out of Artist's intentional torts or reckless or grossly negligent conduct or out of a breach by Artist of Artist's representations and warranties hereunder. With respect to any action brought by Company against Artist pursuant to the preceding sentence, such action will be deemed to accrue on the date on which Company requests Artist to reimburse Company for Company's Expenses, it being agreed that Company shall not be required to make any such request in connection with any Claim until after the final disposition or settlement thereof.

9. COMMITMENTS TO OTHERS. Artist shall not have the right or authority to, and shall not (i) employ any person in any capacity, (ii) contract for the purchase or rental of any article or material, or (iii) make any commitment, agreement or obligation whereby Company shall be required to pay any monies or other consideration without Company's prior written consent in each instance.

10. RIGHT TO WITHHOLD. Company shall have the right to deduct and withhold from any sums payable to Artist hereunder (i) any amounts required to be deducted and withheld by

Company pursuant to any present or future law, ordinance or regulation of the United States or of any state thereof or any subdivision of any state thereof, or of any other country, including, without limitation, any country wherein Artist performs any of Artist's services hereunder, or pursuant to any present or future rule or regulation of any union or guild (if any) having jurisdiction over the services to be performed by Artist hereunder; and (ii) any expenses, including union or guild dues or other fees paid by Company on Artist's behalf.

11. INSURANCE. Company shall have the right to apply for and take out, at Company's expense, life, health, accident, cast or other insurance covering Artist, in any amount Company deems necessary to protect Company's interest hereunder. Artist shall not have any right, title or interest in or to such insurance. Artist shall assist Company in obtaining such insurance by submitting to usual and customary medical and other examinations, and by signing such applications, statements and other instruments as may be reasonably required by any insurance company. In the event Artist fails or is unable to qualify for such insurance at customary rates and subject only to customary exclusions and deductible amounts (if any), Company shall have the right to terminate this Agreement; provided, however, that if Artist has cooperated fully in Company's efforts to obtain such insurance, Company shall not have the right to terminate this Agreement for inability or failure to obtain cast insurance after the Start Date. During the term of this Agreement, Artist shall not travel on any chartered or unscheduled airline or plane, unless requested to do so by Company, or engage in any conduct prohibited by any policy of insurance obtained by Company in accordance with this Agreement. Additionally, the services that Artist shall render pursuant to this Agreement are of the type covered under Company's errors and omissions insurance policy, and Artist shall be covered as an additional insured thereunder and under the general liability insurance policy applicable to the Picture, subject to each such policy's terms, conditions and limitations.

12. GENERAL CREDIT TERMS. All references in this Agreement to the title of the Picture shall be deemed to mean the "regular" title unless reference is specifically made to the "artwork" title. With respect to any obligation to accord credit in Paid Ads, if the title of the Picture or the name(s) of one or more other person(s) of the Picture is used more than once in such Paid Ads, e.g., a so-called "regular" use and a so-called "artwork" use (such as, for example, the weaving of the title and/or name(s) as part of the background of the advertisement, or a display use or a fanciful use), the references herein to the title of the Picture and/or the name(s) of any person shall be to the so-called "regular" use of the title or the name(s) as distinguished from the "artwork" use of the title or the name(s). All references to "size" however stated, whether as a percentage or otherwise, shall mean height, width and thickness of the lettering used in the credit.

13. MISCELLANEOUS.

13.1 Governing Law. THE INTERNAL SUBSTANTIVE LAWS (AS DISTINGUISHED FROM THE CHOICE OF LAW RULES) OF THE STATE OF CALIFORNIA AND THE UNITED STATES OF AMERICA APPLICABLE TO CONTRACTS MADE AND PERFORMED ENTIRELY IN CALIFORNIA SHALL GOVERN (i) THE VALIDITY AND INTERPRETATION OF THIS AGREEMENT, (ii) THE PERFORMANCE BY THE PARTIES OF THEIR RESPECTIVE OBLIGATIONS HEREUNDER, AND (iii) ALL

OTHER CAUSES OF ACTION (WHETHER SOUNDING IN CONTRACT OR IN TORT) ARISING OUT OF OR RELATING TO THIS AGREEMENT (OR ARTIST'S ENGAGEMENT AND/OR SERVICES HEREUNDER) OR THE TERMINATION OF THIS AGREEMENT (OR OF ARTIST'S ENGAGEMENT AND/OR SERVICES) OR OTHERWISE RELATING TO THE PICTURE.

**13.2 Legal Proceedings – Arbitration.** The parties agree that, except as otherwise required by any applicable guild collective bargaining agreement, any and all disputes or controversies of any nature between them arising at any time (whether or not relating to the Picture or to any of the matters referred to in clauses (i), (ii) and/or (iii) of Paragraph 13.1 above), shall be determined by binding arbitration in accordance with the rules of JAMS (or, with the agreement of the parties, ADR Services) before a single neutral arbitrator ("Arbitrator"). The Arbitrator shall be an attorney with at least ten (10) years experience in the motion picture industry or a retired judge and shall be mutually agreed upon by Company and Artist. If Company and Artist are unable to agree on an Arbitrator, the Arbitrator shall be appointed by the arbitration service. The fees of the Arbitrator shall be borne equally by Company and Artist, provided that the Arbitrator may require that such fees be borne in such other manner as the Arbitrator determines is required in order for this arbitration clause to be enforceable under applicable law. The parties shall be entitled to conduct discovery in accordance with Section 1283.05 of the California Code of Civil Procedure, provided that (a) the Arbitrator must authorize all such discovery in advance based on findings that the material sought is relevant to the issues in dispute and that the nature and scope of such discovery is reasonable under the circumstances, and (b) discovery shall be limited to depositions and production of documents unless the Arbitrator finds that another method of discovery (e.g., interrogatories) is the most reasonable and cost efficient method of obtaining the information sought. There shall be a record of the proceedings at the arbitration hearing and the Arbitrator shall issue a Statement of Decision setting forth the factual and legal basis for the Arbitrator's decision. If neither party gives written notice requesting an appeal within ten (10) business days after the issuance of the Statement of Decision, the Arbitrator's decision shall be final and binding as to all matters of substance and procedure, and may be enforced by a petition to the Superior Court for confirmation and enforcement of the award. If either party gives written notice requesting an appeal within ten (10) business days after the issuance of the Statement of Decision, the award of the Arbitrator shall be appealed to three (3) neutral arbitrators (the "Appellate Arbitrators"), each of whom shall have the same qualifications and be selected through the same procedure as the Arbitrator. The appealing party shall file its appellate brief within thirty (30) days after its written notice requesting the appeal and the other party shall file its brief within thirty (30) days thereafter. The Appellate Arbitrators shall thereupon review the decision of the Arbitrator applying the same standards of review (and all of the same presumptions) as if the Appellate Arbitrators were a California Court of Appeals reviewing a judgment of the California Superior Court, except that the Appellate Arbitrators shall in all cases issue a final award and shall not remand the matter to the Arbitrator. The decision of the Appellate Arbitrators shall be final and binding as to all matters of substance and procedure, and may be enforced by a petition to the Superior Court for confirmation and enforcement of the award. The party appealing the decision of the Arbitrator shall pay all costs and expenses of the appeal, including the fees of the Appellate Arbitrators and the reasonable outside attorneys' fees of the opposing party, unless the

decision of the Arbitrator is reversed, in which event the expenses of the appeal shall be borne as determined by the Appellate Arbitrators. The Arbitrator shall have the power to enter temporary restraining orders, preliminary and permanent injunctions, subject to the provisions of the Agreement waiving or limiting that remedy. Prior to the appointment of the Arbitrator or for remedies beyond the jurisdiction of an arbitrator, at any time, Company may seek *pendente lite* relief in a court of competent jurisdiction in Los Angeles County, California without thereby waiving its right to arbitration of the dispute or controversy under this section. All arbitration proceedings (including proceedings before the Appellate Arbitrators) shall be closed to the public and confidential and all records relating thereto shall be permanently sealed, except as necessary to obtain court confirmation of the arbitration award. The provisions of this Paragraph 13.2 shall supersede any inconsistent provisions of any prior agreement between the parties.

13.3 Non-Waiver; Effect of Termination; Entire Agreement; Severability. No waiver by Artist or Company or any failure by the other to keep or perform any covenant or condition of this Agreement shall constitute a waiver of any preceding or succeeding breach of the same or any other covenant or condition. The expiration, termination and/or cancellation of this Agreement for any reason whatsoever shall not affect the rights granted hereunder by Artist or Company's ownership thereof, and the representations and warranties of Artist hereunder shall survive any such expiration, termination and/or cancellation. This Agreement constitutes the entire agreement between Company and Artist with respect to the subject matter hereof and may only be amended by a written instrument executed by Company and Artist. If one or more provisions of this Agreement are held to be illegal or unenforceable under applicable California law, such illegal or unenforceable portion(s) shall be limited or excluded from this Agreement to the minimum extent required and the remaining portions of this Agreement shall be interpreted as if such portion(s) were so limited or excluded and shall be enforceable in accordance with its terms.

13.4 Visas and Labor Permits. Artist agrees to cooperate with Company and assist Company in securing such visas and labor permits as may be required by any governmental agency in connection with Artist's rendition of services hereunder. If, in spite of such cooperation and assistance, Company is unable to secure such visas and labor permits, Company shall have the right to suspend Artist's services hereunder until a final determination concerning such visa or labor permit is made by the applicable authority, and Company shall have the right to terminate this Agreement, Artist's engagement and Artist's employment hereunder if such visas and labor permits cannot be secured.

13.5 Company's Remedies. All remedies accorded herein or otherwise available to Company shall be cumulative and no one such remedy shall be exclusive of any other. Without waiving any rights or remedies under this Agreement or otherwise, Company may from time to time recover, by arbitration in accordance with Paragraph 13.2 above, any damages (subject to Paragraph 13.7 below) arising out of any breach of this Agreement by Artist and may institute and maintain subsequent arbitrations for additional damages (subject to Paragraph 13.7 below) which may arise from the same or other breaches. The commencement or maintaining of any such arbitration(s) by Company shall not constitute an election on Company's part to terminate this Agreement nor constitute or result in the termination of Artist's services hereunder unless Company shall expressly so elect by written notice to Artist. The pursuit by Company of any

remedy under this Agreement or otherwise shall not be deemed a waiver of any other or different remedy which may be available under this Agreement or otherwise, either at law or in equity.

13.6 Artist's Remedies. The rights and remedies of Artist in the event of any breach by Company of this Agreement or any of Company's obligations hereunder shall be limited to Artist's right to recover damages (subject to Paragraph 13.7 below), if any, in one or more arbitration proceedings under Paragraph 13.2 above, and Artist hereby waives any right or remedy in equity, including without limitation any right to terminate, rescind or cancel this Agreement or Company's ownership of the Picture or the Results and Proceeds or any other right granted to Company hereunder and/or to seek injunctive or other equitable relief with respect to any breach of Company's obligations hereunder and/or to enjoin or restrain or otherwise impair in any manner the production, distribution, exhibition or other exploitation of the Picture, or any parts or elements thereof, or the use, publication or dissemination of any advertising in connection therewith.

13.7 Limitation on Damages. To the maximum extent permitted by applicable law, no party hereto (Company and/or Artist) shall be liable for, or have any obligation to pay to the other, consequential damages and/or special damages in connection with the breach of this Agreement, all of which are expressly excluded, and Company and Artist each hereby waive any right to recover any such damages from the other.

13.8 Captions. The captions used in connection with the paragraphs and subparagraphs of this Agreement are inserted only for the purpose of reference. Such captions shall not be deemed to govern, limit, modify, or in any other manner affect the scope, meaning, or intent of the provisions of this Agreement or any part thereof, nor shall such captions otherwise be given any legal effect.

13.9 Governmental Limitation. If the compensation provided for by this Agreement shall exceed the amount permitted by any present or future law or governmental order or regulation, such compensation shall be reduced, while such limitation is in effect, to the amount which is so permitted, and the payment of such reduced compensation shall be deemed to constitute full performance by Company of its obligations respecting the payment of compensation hereunder.

13.10 Assignment. Company shall be free to sell, assign, license, mortgage, encumber or otherwise transfer this Agreement and/or any or all of its rights hereunder, and/or to delegate any or all of its duties hereunder at any time and from time to time to any person or entity provided, however that, Company shall thereafter be released and discharged of and from any and all of its duties, obligations and liabilities arising under this Agreement only if such assignment is to: (i) a person or entity into which Company merges or is consolidated or (ii) a person or entity which acquires all or substantially all of Company's business and assets or (iii) a person or entity which is controlled by, under common control with, or controls Company or (iv) any major or "mini-major" motion picture company, United States television network or affiliates of such entities or (v) other similarly financially responsible party and the applicable entity in the foregoing (i) through (v) assumes in writing the performance and obligations of Company hereunder to be performed from and after such assignment. Artist may not assign this Agreement or Artist's rights hereunder, or delegate Artist's duties under this Agreement in whole or in part.

14. FURTHER INSTRUMENTS. Artist shall duly execute, acknowledge and deliver to Company or cause to be executed, acknowledged and delivered to Company, any and all assignments or instruments consistent herewith which Company may reasonably deem necessary to carry out and effectuate the purposes and intent of this Agreement, including, without limitation, separate assignments of any rights granted by Artist in this Agreement. In the event Artist fails to execute any such instrument within five (5) business days after Company's written request therefor (or such shorter period as may be required by exigent circumstances of which Company advises Artist) in order to permit Artist an opportunity for review and requesting changes consistent herewith, Artist hereby irrevocably appoints Company as Artist's attorney-in-fact, which appointment shall be deemed a power coupled with an interest, with full rights of substitution and delegation, to execute any such instruments in Artist's name and on Artist's behalf. Company shall provide Artist with courtesy copies of any such instruments executed in Artist's name; provided, that Company's failure to do so shall not be deemed to be a breach of this Agreement.

15. CONFIDENTIALITY. Artist understands that it is an essential term of this engagement that the Production Information (as defined below) be maintained in the strictest confidence and that Artist not duplicate, disclose, report, reveal, gossip or speculate about, assign, sell or transfer, either directly or indirectly, factually or by means of fictionalization, by any means including without limitation by e-mail, blogging or tweeting, any Production Information without Company's prior consent. Artist will use best efforts to prohibit observation of Artist's services or the completed Results and Proceeds thereof by any individuals not rendering services in connection with the Picture. Artist acknowledges and agrees that Company shall have the exclusive right to release Production Information and to determine under what circumstances to release Production Information and that Artist shall not in any way participate in any publicity, press releases, interviews, advertisements or promotional activities relating to Company, the Picture, or Artist's services hereunder without the prior written consent of Company, except personal publicity in which the Picture is only incidentally mentioned in a non-derogatory manner. If Artist makes or compiles correspondence, memoranda, notes, records and other documents relating to Artist's services hereunder, such material will be deemed to be part of the Results and Proceeds of Artist's services and a "work made for hire" for Company and Company shall be deemed to be the sole author and owner of all copyrights in and to any such material. If any tangible Production Information is delivered to Artist, Artist shall return the same to Company upon completion of services for Company, or at any other time upon Company's request. Notwithstanding the foregoing, Artist shall not be deemed to be in breach of this Agreement if (i) Artist discloses information relating to the terms of Artist's services to Artist's agents, attorneys, and business representatives solely as required for such representative to properly provide services to Artist (provided that the applicable party is restricted from any further disclosure) and/or (ii) Artist or Artist's agents, attorneys, and business representatives disclose information to third parties about Artist's compensation and credit and other deal terms for so-called "quote" purposes and/or (iii) Artist discloses any Production Information (a) as required by law (including, without limitation, as required pursuant to court order or to enforce such party's rights hereunder) and/or (b) to employees of Company or other persons performing services on the Picture only if and to the minimum extent necessary in order for them to perform their services in connection with the Picture. "Production Information" shall mean any confidential information or material which has not theretofore been released or authorized to be

released generally to the public by Company which Artist may obtain knowledge of or access to, including without limitation any and all confidential information relating to Artist's services hereunder, the Picture and its production and exploitation, the screenplay and the story lines, characters and/or locations contained therein, the budget, schedule, production plans (including any information regarding cast members engaged or being considered for engagement), drawings, designs, specifications, ideas, concepts, models, costumes, techniques or special effects for the Picture or other creative, business and/or physical production elements relating to the Picture and/or Company and/or Company's business, executives and/or financial information.

16. PERSONAL PHOTOGRAPHY PROHIBITED. Artist understands, acknowledges and agrees that personal photography of any nature at, of or on any location in connection with the Picture is strictly prohibited and any breach of this provision will be a Default of this Agreement. Notwithstanding any contrary provision in the Agreement, any photography taken by Artist relating to the Picture or taken at, of or on any location where the Picture is being produced will be deemed to be part of the Results and Proceeds of Artist's services and a "work made for hire" for Company and Company shall be deemed to be the sole author and owner of all copyrights in and to any such photography.

END OF STANDARD TERMS

EQUAL EMPLOYMENT ACKNOWLEDGEMENT

It has always been the policy and practice of Sony Pictures Animation Inc. ("Company") to be an equal opportunity employer and to hire qualified persons without regard to race, color, religion, age, sex, national origin, marital status or disability. Company remains strongly committed to this policy and requires that a concerted effort be made by all personnel, including without limitation all producers, directors, assistant directors, unit production managers and casting directors, to perform their responsibilities so as to implement fully this established policy of equal opportunity employment.

Specifically, Company requires that producers, directors, assistant directors, unit production managers and casting directors actively encourage the hiring of qualified females, the disabled and members of minority groups (*e.g.*, African Americans, West Indians, Hispanics, Asians, Pacific Islanders and Native Americans) in all areas of the production process.

The equal employment responsibilities of producers, directors, assistant directors, unit production managers and casting directors extend not only to the utilization of minorities, the disabled and women behind the camera but also to the casting of minorities, the disabled and women in suitable leading and supporting, particularly nondescriptive, roles. Care should be taken to ensure that minorities, the disabled and women are not cast in roles that will perpetuate harmful images or undesirable stereotypes.

Company believes that the above goals may be achieved without interfering with creative expression. Full compliance with Company's equal opportunity employment policy is mandatory.

PLEASE READ, SIGN AND RETURN TO VICE PRESIDENT OF HUMAN RESOURCES,  
SONY PICTURES ANIMATION INC.

ACKNOWLEDGEMENT:

The undersigned has read and understood and will comply with Company's equal opportunity employment policy and the requirements set forth above.

\_\_\_\_\_  
DOUG SWEETLAND  
[Please sign in blue ink]

DATED: \_\_\_\_\_

**POLICY AGAINST UNLAWFUL HARASSMENT****POLICY STATEMENT**

The Company is committed to providing a work environment that is free of unlawful harassment. Company policy prohibits sexual harassment and harassment or discrimination based on race, gender, color, religion, sex, pregnancy, national origin, ancestry, age over 40, marital status, physical or mental disability, medical condition, sexual orientation, citizenship, status as veteran or special disabled veteran, or any other basis protected by applicable federal, state or local law or ordinance or regulation. All such harassment is unlawful. The Company prohibits harassment by any employee of the Company, including supervisors and co-workers, or by persons doing business with or for the Company.

**PROHIBITED CONDUCT**

Conduct which is prohibited at the Company, whether or not it rises to the level of unlawful harassment, includes:

- Verbal conduct such as epithets, derogatory jokes or comments, slurs, negative stereotyping or unwanted sexual advances, invitations or comments.
- Visual conduct such as posters, photography, cartoons, drawings on Company premises or circulated in the workplace that denigrate or show hostility or aversion towards an individual or group because of any characteristic identified above.
- Physical conduct such as intimidation, threats, assault, unwanted touching, blocking normal movement or interfering with work because of any characteristic identified above.
- Threats and demands to submit to sexual requests as a condition of continued employment, or to avoid some other loss, and offers of employment benefits in return for sexual favors.

**RETALIATION FOR HAVING REPORTED, OR THREATENING TO REPORT, HARASSMENT**

Whether or not the offending employee means to give offense or believed his or her comments or conduct were welcome is not determinative. Rather, the Company's policy is violated when another employee, whether the recipient or a mere observer, is in fact offended by comments or conduct which are based on the characteristics identified above.

It is a violation of this policy for males to sexually harass females or other males and for females to sexually harass males or other females. Sexual harassment on the job is prohibited whether committed by a co-worker, a supervisor or manager, or by persons doing business with or for the Company.

Additionally, Company policy prohibits retaliation against an employee who makes a good faith complaint under this policy or who honestly assists an investigation pursuant to this policy.

**COMPLAINT PROCESS**

Individuals who believe they have been harassed on the job must, as soon as possible, provide a written or verbal complaint to their own or any other supervisor, to Production Administration or to a Human Resources representative. The complaint should include details of the incident(s), names of the individuals involved, and the names of any witnesses.

Supervisors and managers must immediately refer all harassment complaints to the Human Resources Department or to Production Administration.

All incidents of harassment that are reported will be investigated. The Company will promptly undertake an effective, thorough and objective investigation of the harassment allegations. If the Company determines that a violation of this policy has occurred, it will take appropriate action to deter any future harassment. Where appropriate, disciplinary action up to and including termination will also be taken.

The Company's policy and California law prohibit retaliation against an individual for using this complaint procedure or for filing, testifying, assisting, or participating in any manner in any investigation, proceeding or hearing conducted by the Company or a federal or state enforcement agency. Employees who believe they have been retaliated against in violation of this policy should report the facts to their supervisor, Production Administration, or a Human Resources representative.

All employees and individuals performing services for the Company are expected to comply with this policy and to cooperate with investigations into complaints of harassment.

**ADDITIONAL ENFORCEMENT INFORMATION**

In addition to the Company's internal complaint procedure, the California Department of Fair Employment and Housing (DFEH) investigates and prosecutes complaints of unlawful harassment in employment. Individuals who believe that they have been unlawfully harassed may file a complaint with the DFEH within one (1) year of the alleged harassment. The DFEH serves as a neutral fact finder and attempts to help the parties voluntarily resolve disputes. If the DFEH finds evidence of harassment and settlement efforts fail, the DFEH may file a formal accusation against the employer and harasser. The accusation may lead to either a public hearing before the Fair Employment and Housing Commission or a lawsuit filed on the complainant's behalf by the DFEH. If the Commission finds that harassment has occurred, it can order remedies including hiring or reinstatement, back pay, and changes in the practices of the involved employer. The address and telephone number of the local office of the DFEH is located in the telephone directory. Employees of the Company who work outside of California should consult their local state agency charged with administering harassment complaints.

**END OF POLICY AGAINST UNLAWFUL HARASSMENT**