



Z-FEST FILM FESTIVAL

Project Team Leader's Agreement

This is an agreement between _____ ("Team Leader"), representing the film team known as _____ ("Team"), and the Z-Fest Film Festival ("ZFFF"), owned and operated by Z Systems, Inc., with respect to Team Leader's and Team's involvement in the ZFFF and creation of a short film or video (the "Film") pursuant to the terms below. Team Leader hereby agrees on behalf of him/herself and Team to take part in the ZFFF, being produced by Z Systems, Inc., and scheduled to take place from **September 1st, 2016 to March 23rd 2017**.

(1) Team Leader has read, and agrees on behalf of him/herself and Team to abide by, the "Festival Rules" of the project, the terms of which are available at www.zfest.com/rules, and by reference made a part hereof. It is understood that ZFFF reserves the right to disqualify from screening or exhibition and remove from consideration for awards and prizes any films/videos which do not adhere to the Festival Rules.

(2) Team Leader hereby understands that he/she is responsible for all crew, cast, equipment, sets, locations, and other items necessary for participating in the Project, and all costs, expenses, damages and claims related thereto. ZFFF is providing the event and guidelines in which the Team Leader is taking part; a screening opportunity for all qualifying films/videos; and a prizes for the Project winner.

(3) Team Leader hereby affirms that he/she will secure all rights (including without limitation copyrights) in and to all material included in the Film, including without limitation any and all images, photographs, performances, appearance(s) by any person(s), sounds, soundtrack and music (including without limitation compositions, recordings and performances). In no manner limiting the foregoing, Team Leader will obtain a signed Waiver and Release Form from all cast and crew, a signed Music Release from all persons or entities providing music, and a signed Location Release for all locations used in the Film. Team Leader represents and warrants that he/she

(a) is free to enter into this Agreement,

(b) that, except with regard to ZFFF's rights as set forth herein, Team Leader is the sole copyright holder in and to the Film; and

(c) the Film does not to the best of Team Leader's knowledge (including what Team Leader should know or have known in the exercise of reasonable prudence) violate the copyright of any person or entity, or defame or infringe upon any rights of any kind of, including the right of privacy, of any person or entity.

(4) Team Leader hereby agrees to indemnify, defend, and hold harmless ZFFF, its owners, officers, directors, shareholders, employees, licensees, partners and assigns (collectively "Indemnified Parties") from any and all claims, costs, damages, expenses and liabilities including without limitation attorneys' fees (collectively "Claims") arising from the creation, production, use, exhibition, promotion, marketing,

merchandising, or other exploitation of the Film by the Indemnified Parties and/or any of them, Team Leader, Team and/or any member thereof (including without limitation Claims for negligence and other torts, unauthorized use of likeness, invasion of right of privacy, publicity or personality, defamation, fraud, infringement of copyright and/or trademark, and breach of contract), and for any breach by Team Leader of any representation, warranty or obligation of Team Leader hereunder.

(5) Team Leader grants to the ZFFF non-exclusive rights to the film in perpetuity, in accordance with the following: Team Leader shall have the following non-exclusive, non-assignable rights:

(i) to enter the Film in film festivals & competitions;

(ii) to screen the Film at local film events;

(iii) to stream the Film or any portion thereof for free on Team Leader's personal website or for free on any third party website for Internet viewing, provided that the Film or portion thereof as so streamed contains an initial full screen title card stating "This Film was created for the ZFFF Film Festival." (or other language as may be designated by ZFFF);

(iv) to distribute the film for free via DVD;

(v) to use the Film on a professional reel to promote Team Leader, Team or any Team member; and

(vi) any other use agreed to in writing by ZFFF.

(6) ZFFF shall have the following rights, which, except for the limited rights of Team Leader as set forth above, shall be exclusive to ZFFF: to copy, screen, show, exhibit, telecast, broadcast, advertise, market, exploit, and disseminate the Film and/or any portion thereof throughout the universe in perpetuity, via any medium and in any manner whether now known or hereafter invented, including but not limited to theatrical, television (including without limitation all forms of broadcast, cable, Video On Demand (VOD) and digital television), DVD/home video/videogram (including any videogram successor), Internet distribution and any means of digital download, and to sell, license and/or assign any or all of the foregoing rights to any third party. In no manner limiting the foregoing, ZFFF shall have the right to use the Film and any portion thereof to advertise, promote and publicize the ZFFF and/or any sponsor thereof in any manner and via any medium at ZFFF's sole discretion.

The parties agree that the following terms shall apply should ZFFF license, sell, or otherwise assign ("license") any rights in the Film to a third party licensee prior to the End Date:

(a) Individual License (i.e., ZFFF licenses the Film individually): ZFFF will receive the first \$150 of any license fee and/or royalties or reuse fees received therefrom; Team Leader shall receive 80% of ZFFF's net proceeds from the remainder (i.e., those in excess of \$150) of such license fee and/or royalties/reuse fees.

(b) Collection (i.e., ZFFF licenses two or more films ("Collection") of which the Film is one): If Team Leader's entire Film is included in the Collection, Team Leader will receive a pro rata share of 50% of ZFFF's net proceeds therefrom. Pro ration will be dependent upon number of films included in the collection.

(c) Sponsor License: Notwithstanding the foregoing, in the event the licensee of the Film or Collection is a sponsor of ZFFF or the Project ("Sponsor") as determined by ZFFF, ZFFF will retain 100% of all proceeds, if any, from any such license.

(d) Official ZFFF DVD: If the entire Film is included on a ZFFF DVD, Team Leader will receive a pro rata share of 50% of net proceeds received by ZFFF when more than 2500 DVDs are sold. Pro ration will be dependant upon number of films included on said compilation.

ZFFF's net proceeds for the purposes of this paragraph 6 shall be defined, computed, paid and accounted for pursuant to ZFFF's standard definition, which shall include allowances for the deduction from gross receipts ZFFF's customary deductions including, without limitation, distribution fees, distribution expenses, and overhead. ZFFF shall make semi-annual (i.e., twice per year) reports to Team Leader, provided, however, that ZFFF need not issue a report if Team Leader has not accumulated revenue to report. ZFFF shall issue checks to Team Leader on a semi-annual basis so long as total revenue for a Team Leader has reached a minimum of \$25.

(7) If ZFFF does not license the Film to a third party prior to the End Date, then upon the End Date ZFFF's rights as set forth above at paragraph (5)(b) shall become non-exclusive, and shall be owned and shared equally by both Team Leader and ZFFF in perpetuity. However, if ZFFF does license the Film to a third party prior to the End Date, then ZFFF's rights as set forth above at paragraph (5)(b) shall remain exclusive to ZFFF and continue until Nov.30, 2016 ("Extended End Date"). No license (including any extensions and/or renewals) of the Film by ZFFF to any third party shall, without Team Leader's prior written permission, extend past the Extended End Date. Notwithstanding the foregoing, Team Leader shall not at any time (whether before or after the End Date or Extended End Date) assign or license any rights in and/or to the Film to any third party without the prior written permission of ZFFF, and ZFFF shall not assign or license any rights in and/or to the Film to any third party which would preclude Team Leader from exercising its rights in and/or to the Film as set forth above at Paragraph 5(a) and/or in this paragraph (as applicable), without the written permission of Team Leader.

(8) Should the Team Leader receive a distribution offer prior to the End Date and not initiated by ZFFF, Team Leader may enter into the deal provided the following requirements are met: 1) ZFFF gives authorization in writing; 2) ZFFF receives 20% of all distribution proceeds.

(9) Team Leader hereby acknowledges that participation in the ZFFF Film Festival¹⁴ is without remuneration or monetary compensation whatsoever. The consideration for participating in the project is the screening of Participant's completed film/video at the conclusion of the Project; and the possibility, although not the obligation by ZFFF, for future screenings and distribution; and the opportunity for publicity or exposure for being a participant. Team Leader acknowledges that, in the event of any breach by ZFFF or any third party, the damage, if any, caused to Team Leader thereby will not be irreparable or otherwise sufficient to entitle Team Leader to seek injunctive or other equitable relief. Team Leader's rights and remedies in such event will be strictly limited to the right, if any, to recover compensatory (but not punitive or consequential) damages in an action at law, and Team Leader will have neither the right to rescind or terminate this agreement or any of ZFFF's rights hereunder, nor the right to enjoin the exhibition or other exploitation of the Film or any subsidiary or allied rights with respect thereto.

(10) Team Leader may not assign this Agreement or any of its obligations hereunder without ZFFF's prior written consent. ZFFF may freely assign any and all rights and obligations under this Agreement in whole or in part to any other party. Team Leader acknowledges and agrees that Team Leader is not an employee or agent of ZFFF for any purpose, including all tax obligations, but that the parties are contractors independent of one another.

Team Leader hereby acknowledges that a "Making of the Z Fest Film Festival" (the "Documentary") may be shot during the Z-Fest Film Festival, and hereby agrees to allow camera crews to tape his/her team during any production stage of the project; and further agrees to immediately provide to the ZFFF a signed release for each of his/her participating cast and crew members, using the attached "Release" (Exhibit A). ZFFF has no obligation whatsoever to produce or exhibit the Documentary, however.

(11) ZFFF will not be liable for any special, indirect or consequential damages, without limitation, damages arising under any Claim or cause of action, including contract, warranty, strict liability or tort, whether or not ZFFF has been advised of the possibility of such damages. Furthermore, it is understood that ZFFF's total liability for any Claims and/or causes of action shall not exceed, and is limited to, the total amount paid to ZFFF in entry fees by Team Leader under this agreement. These limitations shall apply notwithstanding the failure of the essential purpose of any limited remedy.

(12) This agreement shall be governed by and construed in accordance with the internal laws of the Minnesota, without any reference to its conflicts of laws provisions.

Agreed to and Accepted By:

Signature: _____
(Team Leader)

Name: _____
(please print)

Date: _____

Address: _____

Phone: _____

Email: _____

ZFFF Film Festival

3724 Oregon Ave S, Minneapolis, MN 55426

By: _____

Its: _____

Date: _____

If Signatory is under 18:

I represent and warrant that I am the parent or guardian of the minor whose name appears above, that I have read and approve of the foregoing Agreement, and consent to its execution by my child/ward.

Signature of Parent or Guardian

Printed Name

Date

Address