

**Note: Company Z may, within 60 days of the end of each contract year elect to license the Exclusive Video Products on a non-exclusive basis for the remainder of the Term.**

**REVENUE SHARE:** Company Y will pay Company Z a revenue share of 12% of the first 12 months from initial account creation from each Acquired Customer.

**EXCLUSIVE ROYALTY:** for exclusive video products: (A) 35% of all la carte net sales for a la carte sales to a la carte customers, and (B) 20% of membership net sales receipts.

**NON-EXCLUSIVE ROYALTY:** for non-exclusive video products: (A) 10% of a la carte sales for a la carte sales to a la carte customers, and (B) 12.5% of membership net sales receipts for all sales to members of Company Y's membership programs.

Provided that Company Y receives the Products and Artwork by 10/13/07, the Launch will be November 30, 2007

Digital File of Each Product via Digital FTP File Transfer and/or 1 copy in CD format

Digital File and/or hard copy of each then-current version of the Trademarks and a reasonable selection of Artwork

