

EXHIBIT C

"Freebird"

AGREEMENT made as of this 15th day of January, 1995 by and between CABIN FEVER ENTERTAINMENT INC., at 100 West Putnam Avenue, Greenwich, Connecticut 06830 (hereinafter referred to as "CFE") and FREEBIRD VIDEO PRODUCTIONS INC., 546-8 Kingsley Avenue, Orange Park, Florida 32073 (hereinafter referred to as "Participant").

1. Certain Definitions. In addition to terms defined elsewhere in this agreement, the following terms have the following meanings:

1.1 (a) The "Tapes" are those materials more fully described in Schedule A annexed hereto.

(b) The "Picture" means the one audiovisual work, which is compiled and/or to be compiled by CFE from the "Tapes" described above and other material to be added thereto by CFE.

(c) "Artists" shall mean those performers whose performances are contained on the Tapes, including, without limitation, the prior members of the recording group named "Lynyrd Skynyrd" (sometimes such name is referred to as the "Name").

1.2 Territory. The "Territory" means the universe.

1.3 "Television" means all forms of broadcast or telecast, including, without limitation, conventional, free, over-the-air television transmission by VHF and/or UHF television broadcast stations, station groups or networks, and any and all other forms of television transmission, distribution, exploitation, projection and display, whether now existing or hereafter devised, including, without limitation, satellite-to-home, microwave transmission, cable, subscription, multipoint distribution service, videotape and videocassette (but not for distribution to consumers for use with home playback devices), interactive television, master antenna systems, pay cable systems, pay television systems, "over-the-air pay" television systems, closed circuit, hotel, motel, hospital and other institutional distributions on a subscription, rental, pay-per-view, license, sale or any other basis.

1.4 "Audio-Visual Devices" or "Devices" means all forms of reproduction of audiovisual works, now known or hereafter devised, including, without limitation, videocassettes, videodiscs, CD Videos, CDI, CD-Rom, and other multimedia devices (as limited pursuant to paragraph 2.2 below) and/or devices intended primarily for home and/or juke box use, and/or use in means of transportation.

1.5 (a) "Theatrical Exploitation" means exhibition in movie theaters open to the public.

(b) "Non-Theatrical Exploitation" means any and all forms of distribution, exhibition, exploitation, projection and display whether now existing or hereafter devised, sponsored by organizations and/or institutions such as colleges (and dormitories, fraternities, sororities and student-union halls), schools, public libraries, churches and other religious institutions, private clubs, prisons, old-age homes, hospitals, private camps, all armed forces and military installations and/or by college and school student organizations, government agencies and departments, including, without limitation of the foregoing, the United States Information Service, Chaplain Corps of the United States Army, Navy or Air Force, the United States armed forces academies (West Point, Annapolis, and Air Force), United States Government Dependent Schools, similar organizations, agencies, and departments of other countries, and state and local government agencies.

1.6 "Guild" means any guild, craft, union or labor organization having jurisdiction over any performer appearing in the Picture, or over any Person rendering or furnishing services, rights or materials in any capacity in connection with the development and/or production of the Picture.

1.7 "Person" means any natural individual, corporation, partnership, firm, association or other entity.

1.8 (a) "Composition": A musical composition or medley consisting of words and/or music, or any dramatic material, whether in the form of instrumental and/or vocal music, irrespective of length.

(b) "Controlled Composition": The Compositions set forth on Schedule A (administered by MCA

Publishing) wholly or partly written, composed, owned or controlled by Artist or any Person affiliated with Artist or in which Artist has a direct or indirect interest, except the non-Controlled Compositions, as described below. Schedule A identifies which Controlled Compositions are contained on which of the Tapes and the duration of each such Composition. Schedule A further identifies (as "non-Controlled Compositions") the Compositions which are not Controlled Compositions and not licensed by Participant hereunder.

1.9 "Non-Device Income": Any and all nonrefundable monies actually received by CFE (or credited to CFE's account against advances previously paid or offsets against other monies received by CFE) from the exploitation of theatrical film or television exploitation or other rights in the Picture, except from Audio Visual Devices. Advances and guarantees shall only be included in Non-Device Income if same are specifically attributable to the Picture and are nonreturnable. However, if CFE receives such Advances in connection with the licensing of the Picture together with other audiovisual works, then CFE shall include herein a good faith allocation of such Advance based upon the anticipated royalties to be derived from the Picture under such licenses.

1.10 "Production Costs" means all costs of filming, taping, creation, production and editing of the Tapes and additional materials comprising the Picture, including without limitation actual, reasonable third party legal and other expenses of acquiring such material and all necessary consents and permissions.

1.11 "Rights" (subject to the specific restrictions contained below) means all rights to use the Tapes, including without limitation Artist's performances, as contained on the Tapes, and to remix, master and edit same; rights to use the names and likenesses of Artists and biographical information concerning them, for and in connection with the sale of Audiovisual Devices or other exploitation of the Picture and Tapes and advertising in connection therewith; and the right to synchronize and exploit the Controlled Compositions in connection with the foregoing; and the right to use the Name in connection with the foregoing.

1.12 "Tape Fees" means the payment of \$1,000 per minute of film or tape incorporated in the Picture, as released. Tape Fees with respect to the Knebworth concert shall be chargeable against royalties under paragraph 4.2 and 4.3 hereof.

1.13 "Tapes" mean the prerecorded audiovisual materials designated on Schedule A and licensed for use in the Picture hereunder.

2. Rights Obtained.

2.1 Participant hereby grants to CFE, or has obtained or shall obtain, on behalf of CFE, all Rights (subject to the specific conditions set forth below), including all rights in the Tapes, so that CFE shall have the sole, exclusive and irrevocable rights (under copyright, and all renewals and extensions of copyright, and otherwise), to exhibit, reproduce, perform, distribute and otherwise exploit the Picture (but not segments or portions of the Tapes, except as set forth herein) throughout the Territory in perpetuity, and advertise, promote and publicize the Picture, in any and all media now known or hereafter devised and to use portions or excerpts of the Tapes for the purpose of such advertising and promotion solely in connection with the Picture.

2.2 It is understood that, except as provided herein,

(a) the rights granted herein to the Tapes shall be for the production of only one Picture (which may be edited or amended into different versions as necessary for later exploitation, including without limitation for television use, provided that such editing will not substantively alter the Picture; that editing of Artist's performances of Compositions shall be subject to the conditions specifically set forth below); and that reference to "different versions" does not mean substantive alterations but only additions, deletions or reorganization of different elements for the purpose of different television use or different releases of the video containing different playing times,

(b) individual segments of the Tape shall not be made by CFE to create other audiovisual works (except

trailers or other advertising or promotional materials in connection with the Picture),

(c) the Picture will not be packaged for sale in the United States together with another Audiovisual Device without Participant's prior written approval,

(d) CFE may not release or exploit the audio tracks of Artist's performance on the Tapes in audio-only form, including without limitation in the form of phonograph records or as commercial radio performances of an entire concert (except as simultaneous transmission with television broadcasts or radio advertisements or promotional or advertising use in connection with the Picture),

(e) while the Picture may be reproduced and distributed in CD-Rom and other devices which are interactive in nature, such reproduction shall be of the entire Picture and not segments thereof; and no other materials of any kind or nature such as text, written lyrics, narration or written history of the band shall be incorporated on Devices or otherwise so embodied in the device solely for interactive purposes (it being understood that the fact that a device is capable of consumer interactivity shall alone not be restricted as being "interactive" as long as additional materials are not added to promote such "Interactivity").

(f) the grant of rights to the Tapes owned by Bill Graham Productions ("BGP") and Metropolitan Productions ("MP") shall be limited to the extent of the grant made to Participant by BGP and MP under the licensing agreements with such parties, copies of which are annexed hereto as Exhibit B and BB, respectively, and Participant assigns all such rights to CFE; and

(g) no grant is made with respect to the non-Controlled Compositions.

2.3 Without limitation of the foregoing, CFE shall have all of the following exclusive rights:

(a) To use, reproduce, perform, distribute and exhibit, and to license others to use, reproduce,

perform, distribute and exhibit, the Picture and all elements thereof as comprised in the Picture.

(b) To use, reproduce, distribute, exhibit and perform any and all Controlled Compositions contained in the Tapes and Picture and/or recorded in the soundtrack thereof in connection with the exploitation of the Picture; and to transmit and/or distribute the audio portion of the Picture by means of radio simulcast transmission and radio advertisements (but not audio phonorecords).

(c) Except as set forth below, to edit, add to and/or modify the Tapes and Picture in such a manner as CFE may in its sole discretion elect, including, but not by limitation of the foregoing, the right to make translations and/or variations of or changes in the title of the Picture, except that with respect to the United States release of the Picture, the title or any changes to the title shall be submitted to Participant for approval not to be unreasonably withheld (it being understood that the title "Freebird" has already been approved by Participant, should CFE desire to utilize same), which approval will be deemed given if not objected to in writing within five (5) business days of submission thereof to Participant. No edit, change or alteration shall be made to the vocal and musical performances by Artist of a Composition (as opposed to accompanying visual elements) on the Tapes without the prior written approval of Participant, which will not be unreasonably withheld.

(d) To publicize, advertise, promote and exploit the Picture in all media now known or hereafter devised, except as specifically limited herein.

(e) (i) To use the Name and the name of Participant, and the name, biography and likeness of Artist for the purpose of advertising, publicizing and promoting the Picture. Neither the Name nor individual names of Artists may be used in the manner of an endorsement of a product or service or "linkage" to a product or service without the prior written approval of Participant.

(ii) Within a reasonable period of time after execution hereof Participant will provide CFE with sufficient approved photographs of Artist and biographical

material concerning Artist for use on packaging and exploitations and advertisements of the Picture. If Participant does so but hereafter CFE wishes to use photographs for such purposes in connection with its exploitation of Devices in the United States which are neither among those submitted nor taken directly from the Picture or biographical material different from that supplied by Participant or not commonly known to the general public, CFE shall submit such other photographs or biographical materials to Participant for approval, which approval shall not be unreasonably withheld. If Participant has failed to object in writing to any such photographs or biographical materials within ten (10) days of their submission to Participant for approval by notice hereunder, Participant shall be deemed to have approved same.

(f) To use CFE's name, trademark and/or logo and/or the name, trademark and/or logo of any of CFE's licensees on the positive prints of the Picture and in trailers and packaging thereof, and in all advertising, promotion and publicity relating thereto.

(g) To permit commercial messages to be exhibited before, during and after any exhibition of the Picture on television, and to be included as part of Devices of the Picture.

(h) To dub the Picture (but not the performance by Artist of a Composition therein) in any foreign languages and/or to affix subtitles in any and all languages to the Picture.

(i) To manufacture prints, cassettes, discs and other copies incorporating the Picture.

(j) The right to distribute, reproduce and exploit excerpts and clips of the Picture in any and all media now or hereafter known for the purpose of promoting, advertising, publicizing the Picture.

(k) To make, in CFE's sole discretion, all decisions concerning methods and manner of promotion, distribution and exploitation of the Picture in connection with the rights granted to CFE hereunder.

(l) To take such steps, in the name of CFE or Participant or otherwise, as CFE may deem necessary or appropriate by action at law or otherwise to prevent unauthorized exhibition or distribution of the Picture or any infringement upon the rights of CFE under this agreement; CFE or its nominee may, as Participant's attorney-in-fact, execute, acknowledge, verify and deliver all instruments pertaining thereto in the name of and on behalf of Participant. CFE may also take such steps as CFE shall deem necessary or appropriate by action of law or otherwise to recover monies due pursuant to any agreement relating to the distribution or exhibition of the Picture.

(m) To delegate and/or license to others any or all of the rights of exhibition and distribution granted to CFE under this agreement.

(n) To copyright the Picture in CFE's name, as the owner thereof, as a compilation work or otherwise as a new audiovisual work.

3. Covenants; Warranties; Representations.

3.1 Participant warrants, represents and agrees that:

(a) Participant has exclusive ownership and control over the portion of the Tapes embodying Artists' performance at Knebworth (the "Knebworth Tapes") as specifically identified in Schedule A, and that no further consents, permissions or payments are required with respect to this exploitation hereunder,

(b) With regard to the other Tapes, Participant has obtained the rights for CFE to exploit same as provided on Exhibits B and BB annexed hereto, (referred to sometimes as the BGP Tapes and MP Tapes). With respect to the BGP Tapes and MP Tapes, Participant warrants and represents only that Exhibit B and BB agreements are complete and accurate; that there are no other agreements entered into by Participant which would negate, nullify or diminish the grant of rights made to Participant thereunder; that Participant knows of no reason, cause or other agreement that would make such agreements inaccurate or unenforceable; and that Participant will not modify such agreements or breach same or otherwise make its rights

thereunder unenforceable or ineffective. However, Participant does not warrant or represent that the warranties and representations of BGP or MP are accurate, nor shall Participant be responsible for the inaccuracy of such warranties and representations of BGP or MP. Participant hereby assigns to CFE all of Participant's rights and interest under the Exhibit B and BB agreements, and grants all rights to CFE to enable CFE to take action against BGP or MP in CFE's or Participant's name.

(c) It is understood and agreed by Participant that Participant will not exploit or permit others to exploit the materials on the Tapes, except on audio-only phonorecords, until the end of each of the following applicable periods:

(A) with respect to any materials on the Knebworth Tapes, for a period of six (6) years from the date of first commercial release of Devices containing the Picture ("Initial Release Date");

(B) with respect to material on the BGP Tapes and MP Tapes contained in the Picture, for a period of three (3) years from the Initial Release Date;

(C) With respect to materials not utilized in the Picture but contained on the BGP Tapes or MP Tapes or other tapes, for a period of two years from the Initial Release Date.

(D) It is understood that in the even the Picture has not been commercially release on Devices prior to the end of six (6) months following the "Completion" (as defined below) of the Picture and such release is not delayed by reason of Participant's failure to fulfill its obligations hereunder, or withholding of approvals required hereunder, or by reason of force majeure events beyond the control of CFE, then notwithstanding reference to the Initial Release Date above, the periods set forth under subclauses (A) and (B) above shall run from the end of such one year period. "Completion", for the foregoing purposes, shall mean delivery of all Tapes and

consents and clearances required hereunder as well as all approvals being obtained from Participant where approval is required (and in the even of a disapproval requiring changes or alterations to be made to the Picture or materials thereon or in connection therewith, then Completion shall be extended until such changes and alterations have been made).

(E) It is understood and agreed by Participant that the foregoing restrictions include Participant's not granting to BGP or MP or other parties the right to use Artist's performances or names or likenesses or the Name in connection with the BGP Tapes or MP Tapes or any other audiovisual works for the appropriate period set forth above.

3.2 CFE shall make the package artwork for Devices of the Picture to be initially released in the United States, available to Participant for approval, not to be unreasonably withheld. If Participant has failed to disapprove any such artwork (with specific suggested changes thereto) within fifteen (15) days of CFE's making such artwork available to Participant for review, Participant shall be deemed to have approved same.

3.3 CFE warrants and represents that with respect to materials in the Picture created or supplied or obtained by CFE (other than the material to be delivered by Participant hereunder), all licenses and clearances for the exploitation of the rights hereunder with respect to such materials have been or will be obtained by CFE.

4. Consideration. In full consideration of the rights, powers, licenses and privileges granted to and obtained by Participant for CFE hereunder and of Participant's representations and warranties, and provided Participant complies with each of its material covenants and obligations hereunder, and is not in breach of any of its representations or warranties, CFE agrees to pay to Participant and Participant agrees to accept:

4.1 (a) An "Advance" in the sum of Sixty Thousand Dollars (\$60,000), payable within ten (10) days after

Participant shall have delivered to CFE all the Tapes and executed copies of Exhibits B and BB.

(b) It is further understood that notwithstanding the fact that less than 70 minutes of the Knebworth Concert might be incorporated in the Picture, the minimum Tape Fees for such footage will be Seventy Thousand Dollars (\$70,000), and such amount will be payable at the same time as payment is made under paragraph 4.1(a) above.

(c) One half of the foregoing sums under the above clauses (a) and (b) will be paid on execution of this agreement and the balance on final delivery of all Tapes, documents and materials to be delivered hereunder.

(d) All the foregoing Advances shall be recoupable from royalties payable to Participant under paragraphs 4.2 and 4.3 hereof.

4.2 An amount equal to fifty percent (50%) of "Non-Device Net Proceeds," if any.

(a) "Non-Device Net Proceeds" are "Non-Device Income" less "Non-Device Costs."

(b) "Non-Device Costs" are defined as all non-Device costs and expenses attributable to the exploitation of the Picture or elements thereof including, without limitation: advertising, publicity and promotion expenses including, without limitation, the cost of station promotion kits, advertising and promotion and Nielsen television index reports; shipping, storage and normal cleaning and inspection and insurance expenses; expenses for duplication of music cue sheets and scripts; expenses for editing, if any, and duplicating prints of the Picture, together with packages; all costs or expenses paid or incurred in connection with the conversion of the Picture into a form suitable for exploitation by Devices; any costs incurred in connection with the creation of artwork and packaging materials and any wraparound materials; sales, use, gross receipts, excise, property or similar taxes; legal and auditing costs and expenses incurred in connection with the exploitation of the Picture allocable to non-Device uses and the collection of delinquent accounts in connection therewith; all other reasonable, necessary, usual and normal distribution fees and

costs customarily included as distribution costs or expenses in the United States television business. The foregoing will not include costs and expenses related solely to Devices. With respect to expenses that are incurred jointly with respect to Devices and non-Devices, such expense will be allocated 50% to Devices and 50% to non-Devices.

4.3 The royalty payable with respect to Audio Visual Devices of the Picture shall be computed in accordance with the provisions of Exhibit "A," and the other relevant provisions hereof.

4.4 One half of the Production Costs will be chargeable against the royalties set forth in paragraph 4.2 and one-half of the Production Costs will be chargeable against the royalties set forth in paragraph 4.3. -

4.5 There shall be added to the Production Cost budget the amount of Ten Thousand Dollars (\$10,000) as reimbursement for Participant's additional legal expenses in obtaining clearance hereunder, payable directly to Participant's counsel upon execution of this agreement.

5. Accountings.

5.1 (a) (i) Accountings as to Non-Device Net Proceeds and Home video Royalties accruing or which otherwise would have accrued hereunder shall be made by CFE to Participant on or before September 30th for the period ending the preceding June 30th, and on or before March 31st for the period ending the preceding December 31st, or such other accounting periods as CFE may in general adopt, but in no case less frequently than semiannually, together with payment of accrued Television Net Proceeds and Home video Royalties, if any, earned by Participant during such preceding half year. CFE shall have the right to hold reasonable reserves in respect of sale of Audio-Visual Devices hereunder up to 15% of the net sales for each period, and each such reserve shall be liquidated by the end of three (3) accounting periods following the period for which such reserve was first held.

(ii) Royalties under paragraphs 4.2 and 4.3 from exploitation of the Picture outside the United States shall be computed in the same national currency as CFE is accounted to .

by its licensees and shall be paid at the same rate of exchange as CFE is paid (or CFE's account is credited against advances previously paid or offsets against other monies paid to CFE), and shall be subject to any taxes applicable to royalties remitted by or received from foreign sources, provided, however, that such royalties shall not be due and payable to CFE until payment therefor has been received by, or credited to, CFE in the United States in United States Dollars. If CFE shall not receive payment in the United States, or in United States Dollars, and shall be required to accept payment in a foreign country or in foreign currency, CFE shall deposit to the credit of Participant (at Participant's request and expense), in such currency in a depository in the country in which CFE is required to accept payment, Participant's share of Royalties due and payable to Participant with respect to such sales. Deposit as aforesaid shall fulfill the obligations of CFE as to such Audio-visual Devices exploited to which such royalty payments are applicable. CFE shall promptly notify Participant of amounts so deposited. If any law, government ruling or any other restriction affects the amount of the payments which CFE's licensee can remit to CFE, CFE may deduct from Participant's royalties an amount proportionate to the reduction in such licensee's remittances to CFE. In the event CFE obtains an income tax credit with respect to such monies withheld for taxes, CFE shall assign to Participant a portion thereof such that Participant can obtain its proportionate share of such credit for monies withheld from Participant hereunder.

5.2 (a) All statements rendered by CFE to Participant shall be binding upon Participant and not subject to any objection by Participant for any reason unless specific objection in writing, stating the basis thereof, is given to CFE within two and one-half (2-1/2) years from the date rendered. Failure to make specific objection within said time period shall be deemed approval of such statement.

(b) All statements hereunder will be deemed conclusively to have been rendered on the due date set forth in paragraph 5.1 unless Participant notifies CFE otherwise within ninety (90) days after such due date.

5.3 (a) Participant shall have the right at Participant's own expense to audit CFE's books and records only as the same pertain to this agreement for five (5) accounting

periods prior to such audit. Participant may make such an examination for a particular statement only once, and only within two and one-half (2-1/2) years after the date when CFE renders said statement to Participant under paragraph 5.1. Such audit shall be conducted during CFE's usual business hours, and at CFE's regular place of business in the United States where CFE keeps the books and records to be examined. Such audit shall be conducted by an independent certified public accountant.

(b) Participant acknowledges that CFE's books and records contain confidential trade information. Neither Participant nor its representatives shall at any time communicate to others or use on behalf of any other Person any facts or information obtained as a result of such examination of CFE's books and records.

5.4 Participant will not have the right to bring an action against CFE in connection with any accounting or payments hereunder unless Participant commences the suit within one (1) year from the date such statement or accounting has been objected to hereunder.

5.5 To the extent required by law to make such payment, CFE may withhold from any monies due Participant from CFE any part thereof required by the United States Internal Revenue Service and/or any other governmental authority to be withheld, and to pay same to the United States Internal Revenue Service and/or such other authority.

6. Delivery of Elements. Participant shall, not later than thirty (30) days following execution hereof, deliver to CFE the elements listed on Schedule A, attached hereto and incorporated herein by this reference.

7. Further Representations and Warranties of Participant. Participant hereby represents and warrants the following in connection with the Picture:

7.1 The execution, delivery and performance of this agreement and grants of rights contemplated herein will not result in the breach or termination of, or constitute a default under, any contract and/or agreement and/or other instrument to which Participant is a party or by which the properties or assets of Participant are bound.

7.2 The rights granted to or obtained for CFE hereunder and materials delivered hereunder are and will be free and clear of all claims, demands, liens and/or encumbrances of any kind and character and will not violate the rights of any Persons. There are and will be no claims, actions, proceedings or lawsuits, pending or threatened against or in connection with, the Tapes in Picture or any of the elements thereof or rights therein. All royalties and payments to performers and to any other Persons, have been waived or will be paid in full by Participant or such payment is covered in the Budget set forth on Schedule B, and CFE shall have the sole and exclusive right to exploit its rights in the Picture in the Territory during the Term, without payment of any compensation to any Person except as is specified in paragraph 4 hereof or in the budget on Schedule B. Notwithstanding the foregoing, it is understood that Participant's obligations under this paragraph 7.2 will not extend to non-Controlled Compositions; further, with respect to the BGP Tapes and MP Tapes, Participant's obligation shall be limited to the provisions of paragraph 3.1 above.

7.3 All licenses and clearances necessary or convenient to the exploitation of the rights granted to CFE in this agreement have been or will be obtained by Participant (except that Participant has advised CFE that Participant has not obtained consent from the publisher of the non-Controlled Compositions for the use of such Compositions in the Picture, and Participant will not be responsible for such clearance hereunder nor shall Participant be responsible for the BGP Tapes and MP Tapes beyond the specifics of paragraphs 3.1 and 3.3). On CFE's request, Participant will furnish to CFE copies of any and all licenses, clearances and/or agreements relating to the Picture, it being agreed that CFE's receipt and/or review thereof will not diminish or affect Participant's representations, warranties and agreements herein.

7.4 Participant will not grant to, or obtain on behalf of, any other Person any similar rights to those granted to or obtained for CFE hereunder (as provided in paragraph 2 above), and shall not act in derogation of CFE's rights to exploit the Picture or elements thereof.

8. Indemnification.

8.1 Participant agrees to indemnify and hold harmless CFE, its parent, subsidiaries, affiliates, and subdistributors and their respective officers, agents, directors, employees and licensees from any and all claims, actions or proceedings of any kind and from any and all damages, liabilities, costs and expenses (including reasonable legal fees and costs) relating to or arising out of any claim or action which, if proved, would constitute a breach of Participant's representations, warranties or agreements hereunder and CFE may withhold sums presently pending adjustment or settlement of such claims unless Participant posts bond, in the name of and for the benefit of CFE, in an amount reasonably related to such claim, or no action has been commenced on such claim for one year following the making of such claim. Participant will not be responsible for indemnification for settlement payments made by CFE if Participant has not consented to such settlement; however, the withholding of consent by Participant must be reasonable in all instances, and in the event CFE wishes to settle and Participant does not agree, Participant shall post bond, as aforesaid, for an amount reasonably related to such claim.

8.2 CFE agrees to indemnify and hold harmless Participant, its parent, subsidiaries, affiliates, and subdistributors and their respective officers, agents, directors, employees and licensees from any and all claims, actions or proceedings of any kind and from any and all damages, liabilities, costs and expenses (including reasonable legal fees and costs) relating to or arising out of any claim or action which, if proved, would constitute a breach of CFE's representations, warranties or agreements hereunder, or which arise solely with respect to materials added to the Picture by CFE other than Tapes, or Compositions or other materials supplied by Participant.

9. Distribution Operations. CFE shall have sole, unfettered and absolute control over all matters involving the distribution and exploitation of the Picture or elements thereof within the scope of this agreement. CFE may license such exhibition or distribution on whatever terms it deems appropriate, including, but not by limitation of the foregoing, to withdraw the distribution or exhibition of the Picture from any area of the Territory at any time, to advertise or promote the Picture, if at all, as CFE may in its sole, absolute and unfettered discretion elect. CFE has not made any express of

implied representation, warranty, guaranty or agreement as to the amount of receipts which will be derived from the distribution of the Picture. With respect to any dealings between CFE and its own affiliates, all such dealings will be on an arm's length basis for the purpose of calculating royalties hereunder.

10. Miscellaneous Provisions.

10.1 Cure.

(a) CFE shall not be deemed to be in breach or default under this agreement unless CFE shall fail to remedy an alleged breach or default within a period of thirty (30) days after receipt by CFE of written notice from Participant specifying such alleged breach or default.

(b) Participant shall not be deemed to be in breach or default under this agreement unless Participant shall fail to remedy an alleged breach or default within a period of thirty (30) days after receipt by Participant of written notice from CFE specifying such alleged breach or default.

10.2 No Injunction.

(a) All the rights, licenses, privileges and property herein granted to CFE are irrevocable and not subject to rescission, restraint, or injunction under any or all circumstances. In the event of any breach or default of this agreement or any portion whatsoever thereof by CFE, Participant's sole remedy shall be an action at law for damages actually suffered; in no event shall Participant have the right to injunctive relief or to enjoin or restrain or otherwise interfere with the distribution or exhibition of the Picture, or to revoke, rescind or terminate this agreement.

(b) However, in the event CFE exploits the Picture in a manner prohibited hereunder, the foregoing is not intended to prevent or preclude Participant's seeking injunctive relief to halt such prohibited exploitation.

10.3 Relationship of Parties. Nothing herein contained shall be deemed to constitute a partnership between or joint venture by the parties, nor shall either party be deemed the agent of the other. Neither party shall hold itself out

contrary to this paragraph. Neither party shall become liable for any representation, act or omission of the other contrary to the provisions hereof.

10.4 Further Documents. Participant shall promptly execute, acknowledge and deliver to CFE, or promptly procure the execution, acknowledgment and delivery to CFE, of any and all further assignments, agreements and instruments which CFE may deem necessary or expedient to effectuate the purposes of this agreement. Participant hereby irrevocably appoints CFE its true and lawful attorney-in-fact to enforce and protect any and all rights herein granted to CFE and to execute any documents hereunder if Participant has failed to execute same within thirty (30) days after CFE's request. Such power of attorney is coupled with an interest and is irrevocable.

10.5 Waivers. No waiver by either party of any breach or default hereunder shall be deemed to be a waiver of any preceding or subsequent breach or default.

10.6 Modification. This agreement may not be changed or modified, nor may any provision hereof be waived, except in writing signed by the party to be charged therewith.

10.7 Notices. All notices required to be given to CFE shall be sent to CFE at its address first mentioned herein, and all statements and payments and any and all notices to Participant shall be sent to Participant at its address first mentioned herein, or such other address as each party respectively may hereafter designate by notice in writing to the other. All notices sent under this agreement shall be in writing and, except for statements, shall be sent by registered or certified mail, return receipt requested, and the day of mailing of any such notice shall be deemed the date of the giving thereof (except notices of change of address, the date of which shall be the date of receipt by the receiving party). All notices to CFE shall be served upon CFE to the attention of the Senior Vice President, Business Affairs and the Senior Vice President, Legal Affairs of CFE, with copies to UST Inc., 100 West Putnam Avenue, Greenwich, Connecticut 06830 and to Franklin, Weinrib, Rudell & Vassallo, P.C., 488 Madison Avenue, New York, New York 10022, Attention: Nicholas Gordon, Esq. A copy of notices to Participant will be sent to Geoffrey Menin, Esq. c/o Levine, Thall & Plotkin, 1740 Broadway, New York, New York 10019 and an

additional copies to Stacy H. Fass, Esq., Codikow, Carroll & Regis, 9113 Sunset Boulevard, Los Angeles, California 90069, Kenneth Vickers, Esq. Vickers & Andrews, 214 Washington Street, Jacksonville, Florida 32202 and Gary Haber, Haber Corporation, 16255 Ventura Avenue, Suite 401, Encino, California 91436.

10.8 Construction. This agreement shall be construed in accordance with the laws of the State of New York (including the applicable statute of limitations) applicable to agreements executed and wholly performed within such State. The parties consent and agree to the exclusive jurisdiction of the State and Federal courts having jurisdiction over New York County, New York with respect to any action which any party desires to commence arising out of or in connection with this agreement or any breach or alleged breach of any provision hereof; and further consent and agree that service of any paper or pleading in any such action may be effected by mailing a copy thereof to the party for whom intended by certified mail, return receipt requested and at the address specified above and that any paper or pleading so served shall be deemed served on the recipient with the same legal force and effect as if personally served upon the recipient within New York County, New York.

10.9 Paragraph Headings. paragraph headings are for convenience only, and shall not affect, qualify or amplify the interpretation of this agreement.

10.10 Assignment and Successor. CFE may assign this agreement and/or any or all of its rights and/or obligations hereunder, without limitation, to any Person owned or controlled by CFE, owning or controlling CFE, or under common ownership or control of one parent entity, or acquiring a substantial portion of the assets of CFE. Participant may not assign this agreement or delegate any of its obligations hereunder. Any purported assignment or delegation contrary to the foregoing shall be null and void. Subject to the foregoing, this agreement shall inure to the benefit of and shall be binding upon the parties' parents, subsidiaries and affiliated corporations, their agents, licensees, successors and assigns.

10.11 Agreement Complete. This agreement (together with the Exhibits attached hereto) contains the entire understanding of the parties regarding the within subject matter. Neither party has made any representation, warranty, covenant or

undertaking of any nature whatsoever, express or implied, in connection with or relating to this agreement other than as herein expressly set forth.

10.12 CFE agrees to arrange for Theatrical Exploitation of the Picture in at least six cities in the United States, it being understood that CFE cannot guarantee the duration of such exhibitions, or any particular amount of print or advertising or expenditure therefor, or the income derived therefrom or the number of theatres in which exhibited, except that to the extent necessary CFE will rent at least one theatre for an exhibition in each of the following four cities: (i) New York, (ii) Jacksonville, (iii) Atlanta and (iv) either Dallas or San Francisco. CFE will not replace one of the foregoing with another city, without Participant's prior approval.

10.13 CFE will advise and consult with Participant regarding the elements of production of the Picture (and provide Participant an opportunity to review the footage used in the Picture and give meaningful comments) and the activities under paragraph 10.12 above, it being understood that CFE shall make all final decisions in connection with the foregoing (subject to the specific restrictions contained elsewhere in this agreement). CFE shall give Participant no less than five (5) business days' notice prior to the following periods within which to review the footage: (a) when the footage to be used for the Picture is compiled; (b) when the so-called 'rough cut' is prepared and (c) when the so-called 'final cut' is ready for review. It is further understood that the Picture is intended to be about and concerning the Artist generally and not any one particular member thereof or the Freebird Festival.

10.14 CFE will advise Participant at least five business days in advance as to where and when the so-called 'mixing' of the musical elements of the Picture will take place with respect to the initial release thereof. Participant may send one

designated individual to attend such mixing sessions, it being understood that the schedule for such sessions shall be set by CFE and CFE shall have final say in connection with therewith.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

CABIN FEVER ENTERTAINMENT, INC.

By: *Thomas Mohr*
Its: *Pres. Jan 5*

FREEBIRD VIDEO PRODUCTIONS INC.

By: * *Gary Rossington*
Gary Rossington

By: *Allen Collins Trust*
Larkin Collins, Sr. *Trustee*

By: *Judy Van Zant Jenness*
Judy Van Zant Jenness

EXHIBIT A

1. Home Video Royalties

1.01 (a) With respect to Net Sales of Audio-Visual Devices embodying the Picture sold by CFE for distribution in the United States at a Top-Line price, CFE shall accrue to Participant's account a royalty equal to twenty percent (20%) of the applicable Royalty Base.

(b) With respect to Net Sales of Audio-Visual Devices embodying the Picture sold outside the United States CFE shall accrue to Participant's account a royalty equal to the following percentages of the otherwise applicable rate:

Canada: eighty-five percent (85%)
United Kingdom: eighty percent (80%)
Germany, France: seventy-five percent (75%)
Australia, New Zealand, Japan and the European Economic Community (other than the above): sixty-five percent (65%)
Elsewhere: fifty percent (50%)

(c) (ii) The royalty for Net Sales of Audio-Visual Devices sold by CFE and/or its affiliates for distribution at a price which is customarily considered to be "mid-price" in the country concerned, shall be accrued at two thirds (2/3) of the otherwise applicable royalty rate and shall be computed based on the particular Royalty Base of each such Audio-Visual Device.

(iii) The royalty for Net Sales of Audio-Visual Devices sold by CFE and/or its affiliates for distribution at a Base Price which is customarily considered to be "budget" in the country concerned, shall be accrued at one half (1/2) of the otherwise applicable royalty rate and shall be computed based on the particular Royalty Base of each such Audio-Visual Device.

1.02 (a) The royalty to be accrued hereunder shall be a sum equal to fifty percent (50%) of CFE's net receipts with respect to licenses to third parties (in lieu of distributions directly by CFE) such as: (i) Audio-Visual Devices sold through third

party record clubs or similar sales plans operated by third parties, (ii) licenses of the Picture to Non-Affiliated Third Parties for sales of Audio-Visual Devices by such licensees through direct mail, mail order or in conjunction with TV or radio advertising, including through methods of distribution such as "key outlet marketing" (distribution through retail fulfillment centers in conjunction with special advertisements on radio or television), (iii) licenses of the Picture on a flat-fee or other royalty basis, and/or by any combination of the methods set forth above or other methods.

(b) The terms "net receipts" and "net amount received" and similar terms in this paragraph 1.03 shall mean amounts actually received by CFE in United States Dollars (or credited to CFE's account against advances previously received by CFE or offset against other monies received by CFE) in connection with the subject matter thereof which are solely attributable to the Picture hereunder (excluding catalog and/or administrative fees payable to CFE for the licensing of the Picture hereunder), after deduction of any costs or expenses or amounts which CFE is obligated to pay to third parties in connection with such Device.

2. Definitions:

2.01 (a) "Base Price": With respect to Audio-Visual Devices embodying the Picture, the Base Price is the price to the subdistributor category of CFE's customers in the normal course of business with respect to such Audio-Visual Devices sold for distribution during the applicable semiannual accounting period.

(b) "Top-Line": The price line for Devices sold at the top price in the applicable format.

2.02 "Net Sales": Sales of units of Audio-Visual Devices hereunder, paid for, less returns and credits. Net Sales shall specifically exclude the following:

(a) (i) units of the Audio-Visual Devices given away gratis or distributed to disc jockeys, radio or television stations, publishers, distributors, dealers, or others for publicity, advertising, or promotional purposes; and units of the Audio-Visual Devices sold as cutouts, surplus or for scrap.

(ii) units of Audio-Visual Devices sold for fifty percent (50%) or less of the Gross Price (as hereinafter defined)

(iii) Free or bonus Records given away with sold goods or pursuant to special sales plans (whether or not intended for resale); however, free goods intended for resale in the United States (as well as the Devices sold as described in paragraph 2.02(a)(ii) above) shall be royalty-bearing to the extent they exceed, in the aggregate, fifteen percent (15%) of all Devices distributed hereunder.

(iv) To the extent that units of Audio-Visual Devices hereunder are sold subject to a sales plan entailing a selling price for such units of Audio-Visual Devices reduced by a percentage discount from CFE's "Gross-Price" (i.e., the selling price to distributors before any discounts or free goods or bonus plans), the number of such units of Audio-Visual Devices deemed to be Net Sales shall be determined by reducing the number of units of Audio-Visual Devices actually sold by the percentage of discount granted applicable to such sale.

(b) Without limitation of the generality of paragraph 2.02(a) above, CFE shall have the right to deduct from the number of Audio-Visual Devices sold returns and credits of any nature, including without limitation: (i) those on account of any return or exchange privilege; (ii) defective merchandise; and (iii) errors in billing or shipment. With respect to returns, the ratio of free and sold goods shall be allocated as the customer's account is credited.

(c) Without limitation of the foregoing, royalties shall not be payable with respect to distributions which are not Net Sales and the terms "Net Sales" and/or "net royalty-bearing sales" shall not include the sales described in paragraphs 2.02(a) and 2.02(b) and shall not include any sales which are being held as royalty reserves (up to 15% of the sales for each period, and liquidated by the end of three accounting periods following the period for which such reserve was first held).

2.03 "Royalty Base": The Base Price less all excise, sales and similar taxes and less a container charge of fifteen percent (15%) of the Base Price.

2.04 "Mid-Price" shall mean Devices sold in a particular territory at a Base Price lower than 85% but greater than 60% of the top line price in such territory.

2.05 "Budget Price" shall mean Devices sold in a particular territory at a Base Price lower than 60% of the top line price in such territory.

Schedule A
"Delivery Materials"