

OPTION AGREEMENT

THIS OPTION AGREEMENT made as of the 14 day of April, 1981, by and between ANDRE NORTON (herein "Licensor") and LEISURE INVESTMENT COMPANY N.V. (herein "Licensee").

W I T N E S S E T H:

WHEREAS, Licensor is the sole owner throughout the world of all rights, except publishing rights, in and to that certain literary work entitled "THE BEAST MASTER" written by Licensor and more fully described in the AGREEMENT referred to as Exhibit "A" attached hereto (which literary work and the plots, themes, titles, characters and copyrights thereof and any translations, dramatizations, sequels and other adaptations or versions thereof, now or hereafter created, are herein together referred to as the "Property"); and

WHEREAS, Licensee desires to acquire from Licensor and Licensor agrees to grant to Licensee an exclusive and irrevocable option to purchase certain rights in the Property;

NOW, THEREFORE, the parties hereto agree as follows:

1. Consideration. In consideration of the payment to Licensor of the sum of two thousand dollars (\$2,000) to be paid on execution of this Option Agreement, Licensor agrees to and does hereby grant to Licensee the exclusive and irrevocable option to purchase from Licensor the motion picture, television and other rights in and to the Property as described in Exhibit "A" for the total purchase price specified and payable as provided in Exhibit "A" and upon and subject to the terms and provisions provided in Exhibit "A."
2. Term of Option. The term hereof during which the option may be exercised ("Original Term") shall be one year commencing on the date of this Option Agreement; provided, however, that Licensee may extend the term hereof during which the option may be exercised for an additional one year ("Additional Term") by giving Licensor written notice of Licensee's election so to extend the option at any time prior to the expiration of the Original Term and by paying Licensor concurrently with such notice the sum of two thousand dollars (\$2,000). If Licensee fails to exercise the option during the term hereof, as the same may be extended as aforesaid, the sums paid to Licensor hereunder shall be retained by Licensor.
3. Exercise of Option. Licensee may exercise the option only by giving Licensor written notice of Licensee's election so to exercise and by paying Licensor concurrently with said notice and as a part thereof the amount set forth in paragraph 5 of Exhibit "A." Any notice of exercise of the option and all payments to be made to Licensor under the provisions hereof shall be forwarded to Licensor at the address specified in Exhibit "A." The exercise

of the option shall be effective as of the date notice of the election and payment of said sum is received by Licensor. Said option may be exercised only by notice in writing and payment as aforesaid; no conduct or oral statement by Licensee or its agents, representatives or employees shall constitute an exercise of said option.

4. Effectiveness of Exhibits. If Licensee shall exercise said option, then Licensor and Licensee will enter into an agreement in the form of Exhibit "A," and Licensor will execute and deliver to Licensee a short-form assignment in the form of Exhibit "B." Concurrently with the execution of this Option Agreement, Licensor is executing and depositing with Licensee Exhibits "A" and "B," which are undated, and it is agreed that if Licensee shall exercise the said option as herein specified (but not otherwise), then the signature of Licensor to Exhibits "A" and "B" shall be deemed to be effective; and said Exhibits shall constitute a valid and binding agreement and assignment as of the date of exercise of such option, and Licensee is hereby authorized and empowered to date such instruments accordingly. If Licensee shall fail to exercise the said option, the signature of Licensor to Exhibits "A" and "B" shall be void and of no further force or effect whatever, and Licensee shall destroy, mark void, or return to Licensor the copies of Exhibits "A" and "B" executed by Licensor. If Licensee exercises the said option, Licensee will, as soon thereafter as practicable, execute and deliver to Licensor copies of Exhibit "A," dated as of the date of the exercise of said option, but, notwithstanding the failure of Licensee to do so, Exhibits "A" and "B" shall be of full force and effect as aforesaid. Licensor will, if so requested by Licensee, execute and deliver to Licensee additional copies of Exhibits "A" and "B."
5. Representations and Warranties. All of the representations and warranties of Licensor contained in Exhibit "A," and any and all provisions thereof requiring the parties thereto to maintain and protect the copyright in and to the Property, and any and all provisions of Exhibit "A" restricting or limiting the exercise by Licensor of any of his reserved rights in or to the Property, shall be deemed incorporated herein by reference, with the same force and effect as though set out herein in full, and shall be applicable throughout the option period herein provided for.
6. Pre-Production Activities. Licensor acknowledges that Licensee may, during the option period, undertake production and preproduction activities in connection with any of the rights to be acquired hereunder, including but without limiting the generality of the foregoing, the preparation and submission of treatments and/or screenplays based on the Property. In any such activity, Licensor's copyright in the Property is to be protected.
7. Right of Assignment. Licensor may assign or transfer this Option Agreement and all or any part of its rights hereunder to any person, firm or corporation without limitation; and this Option Agreement shall inure to the benefit of Licensee's heirs,

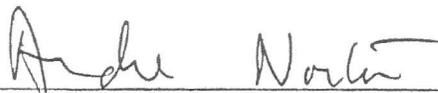


representatives, successors and assigns forever, and shall be binding upon Licensor's heirs, representatives, successors and assigns. Notwithstanding anything herein to the contrary, Licensee shall pay Licensor fifty percent (50%) of the proceeds Licensee receives for any assignment or other transfer Licensee makes hereunder in excess of anything paid Licensor under this Option Agreement.

- 8. General Provisions. This Option Agreement, including all of the foregoing provisions, expresses the entire understanding and agreement of the parties hereto and replaces any and all prior agreements or understandings, whether written or oral, relating in any way to the subject matter of this Option Agreement. This Option Agreement cannot be modified, amended or supplemented except by a written instrument or instruments executed by each of the parties hereto. This Option Agreement shall be deemed made in New York and is subject to and will be construed in accordance with the laws of the State of New York applicable to agreements wholly to be performed therein.

IN WITNESS WHEREOF, the undersigned have executed this agreement the day and year first above written.

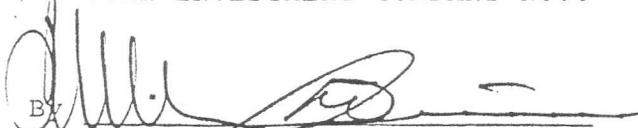
LICENSOR



ANDRE NORTON

LICENSEE

LEISURE INVESTMENT COMPANY N.V.

BY 

CURACAO CORPORATION COMPANY N.V.
Managing Director