

Consultancy Agreement

between

KirchMedia GmbH & Co. KGaA, Robert-Buerkle-Strasse 2, 85737 Ismaning, Germany

"KirchMedia"

and

Mr. Elias Zaccour, Imm. Zaccour-Chiah, Beyrouth - Liban

"Consultant"

Preamble

Whereas Consultant has longstanding experience and contacts in the field of film exploitation, film licensing, merchandising and various other relating fields and whereas KirchMedia intends to further expand to and increase this scope of business, the parties agree as follows:

§ 1

- (1) Consultant shall make available to KirchMedia all his experience and contacts in the field of film exploitation, film licensing, merchandising and any other relating fields whenever this is deemed necessary by KirchMedia. Consultant will, especially - but not limited to - inform KirchMedia about any occurrence in the aforementioned fields which might be of use to KirchMedia, arrange and, on KirchMedia's explicit request, negotiate any transactions for KirchMedia at any time and any place.
- (2) Consultant will always be available for KirchMedia via telephone (telephone no.:), email (email address:), and fax (fax no.: ...) and will inform

KirchMedia about any change of residence or any change of his telephone, fax no. or email address, whether this change is permanent or temporary.

- (3) Consultant shall not offer nor make available any of his experience to any competitor of KirchMedia without the prior written consent of KirchMedia. KirchMedia will give its consent to any of Consultant's activities if it is ensured that they are not for any of KirchMedia's competitors.
- (4) Consultant's obligations under this Agreement shall commence upon the conclusion of this Agreement and will expire on June 30, 2004.

§ 2

KirchMedia shall pay to Consultant a lump-sum compensation of US\$ 1 million (without VAT) in four instalments to Consultant's credit account number 159751 of BEMO Luxembourg with Societe Generale New York in favour of account n° 352225.

The first instalment of US\$ 250,000.00 will be due five days after the conclusion of this Agreement, the second instalment of US\$ 250,000.00 will be due on June 30, 2001, the third instalment of US\$ 250,000.00 on June 30, 2002, and the fourth and final instalment on June 30, 2003.

KirchMedia shall have no responsibility for income tax, withholding tax or other dues and levies imposed on Consultant.

Consultant's expenses which are incurred as a result of Consultant's performance of his obligations hereunder, including but not limited to travel expenses, office costs, etc. shall be deemed covered under the aforementioned lump-sum compensation unless KirchMedia agrees to bear any part of such expenses.

§ 3

- (1) The parties shall keep strictly confidential the content of this Agreement and not make any disclosure thereof to any third parties, except to their professional advisors.

- (2) If Consultant breaches any obligations under this Agreement, especially if Consultant discloses any part of this Agreement or offers and/or makes available his experience to any of KirchMedia's competitors, KirchMedia shall be entitled to terminate this Agreement immediately within 20 days after gaining knowledge of Consultant's breach.
- (3) This Agreement sets out the entire understanding of the parties with respect to the contractual subject matter, and any amendments, changes or modifications shall have legal effect only if made in writing and signed by both parties.
- (4) Upon its execution, this Agreement shall supersede all prior negotiations, understandings and agreements, whether oral or written, and such prior agreements shall thereupon be null and void and without further legal effect.
- (5) Should any provisions of this Agreement be determined to be illegal, invalid or otherwise unenforceable by reason of laws of any state or country in which this Agreement is intended to be effective, said provision shall be severed and deleted to the extent and within the jurisdiction in which it is illegal, invalid or unenforceable and the remaining provisions of this Agreement shall survive, remain in full force and effect and continue to be binding. In any such case, both parties undertake to agree to a stipulation which is legally valid and as close as possible to the intention of both parties. The same applies if a loophole arises.
- (6) German law shall be applicable; the parties submit to the jurisdiction of the Landgericht München I, Germany.

Place, Date 6.6.2000

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KirchMedia

Place, Date ZÜRICH 31/05/2000

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Consultant