

(a) Any breach of any representation or warranty made by Dove in this Agreement or pursuant hereto; or

(b) Any breach of any covenant, agreement or obligation of Dove contained in this Agreement or any other instrument contemplated by this Agreement; or

(c) Any misrepresentation contained in any statement or certificate furnished by Dove pursuant to this Agreement or in connection with the Transactions.

No claim, demand, suit or cause of action shall be brought against Dove under this Section 8.3 unless and until the aggregate amount of claims under this Section 8.3 exceeds \$100,000, in which event, Sellers shall be entitled to indemnification from Dove for all claims hereunder relating back to the first dollar.

Section 8.4 Indemnification by Sellers for Tax Liabilities. In addition to, and not by way of limitation on, the indemnities set forth in this Article 8, the Sellers shall jointly and severally indemnify and hold harmless on an after-tax basis Dove and the Surviving Corporation against all Taxes of Four Point (together with its consolidated Subsidiaries) for all taxable periods ending on or before the date hereof or otherwise attributable to the operations, transactions, assets, or income of Four Point or its subsidiaries prior to the date hereof or otherwise attributable to consummation of the Transactions, together with any expenses (including, without limitation, settlement costs and any legal, accounting and other expenses) incurred in connection with the contesting, collection or assessment of such Taxes, and together with interest at an annual rate equal to the Prime Rate then in effect. Notwithstanding Sections 8.1 and 8.2, the Sellers' obligation to indemnify Dove and the Surviving Corporation pursuant to this Section 8.4 shall continue until 90 days after all applicable statutes of limitations have expired. For purposes of this Section 8.4, the term "after-tax basis" means determined after giving effect to (i) the receipt by the indemnified party of such payment, if such receipt is taxable and (ii) any tax deduction available on account of the payment of such Taxes; and assuming that Taxes are payable at their combined marginal tax rate. The Sellers shall have the responsibility for, and the right to control, at the Sellers' expense, the audit (and disposition thereof) of any tax return relating to periods ending on or prior to the Closing, to participate in the disposition of the audit of any tax return relating to the periods ending after the Closing if such audit or

disposition thereof could give rise to a claim for indemnification hereunder or impact the tax payable for the period ending on or prior to the Closing, and to approve, which approval shall not be unreasonably withheld, the disposition of any audit adjustment under such circumstances. Dove shall have the right directly or through its designated representatives, to review in advance and comment upon all submissions made in the course of audits or appeals thereof to any governmental entity relating to periods ending on or prior to the Closing and to approve, which approval shall not be unreasonably withheld, the Sellers' disposition of any audit adjustment with respect to such periods if such disposition will or might reasonably be expected to result in an increase in Taxes of the Surviving Corporation, any successor thereof or any consolidated group which includes the Surviving Corporation, for any period ending after the Closing.

Section 8.5 Claims for Indemnification. Whenever any claim shall arise for indemnification hereunder, the party entitled to indemnification (the "indemnified party") shall promptly notify the party obligated to provide indemnification (the "indemnifying party") of the claim and, when known, the facts constituting the basis for such claim; provided, however, that the failure to so notify the indemnifying party shall not relieve the indemnifying party of its obligation hereunder to the extent such failure does not materially prejudice the indemnifying party. In the event of any claim for indemnification hereunder resulting from or in connection with any claim or legal proceedings by a third party, the notice to the indemnifying party shall specify, if known, the amount or an estimate of the amount of the liability arising therefrom. If any claims shall arise against Sellers hereunder, Dove may (but shall not be required to) set-off against any amount then or thereafter payable (but not yet paid) to such Seller.

Section 8.6 Defense Claims. In connection with any claim giving rise to indemnity hereunder resulting from or arising out of any claim or legal proceeding by a person who is not a party to this Agreement, the indemnifying party at its sole cost and expense and with counsel reasonably satisfactory to the indemnified party may, upon written notice to the indemnified party, assume the defense of any such claim or legal proceeding if (a) the indemnifying party acknowledges to the indemnified party in writing, within fifteen (15) days after receipt of notice from the indemnifying party, its obligations to indemnify the indemnified party with respect to all elements of such claim, (b) the indemnifying party provides the indemnified party with

evidence reasonably acceptable to the indemnified party that the indemnifying party will have the financial resources to defend against such third-party claim and fulfill its indemnification obligations hereunder, (c) the third-party claim involves only money damages and does not seek an injunction or other equitable relief, and (d) settlement or an adverse judgment of the third party claim is not, in the good faith judgment of the indemnified party, likely to establish a pattern or practice adverse to the continuing business interests of the indemnified party. The indemnified party shall be entitled to participate in (but not control) the defense of any such action, with its counsel and at its own expense; provided, however, that if there are one or more legal defenses available to the indemnified party that conflict with those available to the indemnifying party, or if the indemnifying party fails to take reasonable steps necessary to defend diligently the claim after receiving notice from the indemnified party that it believes the indemnifying party has failed to do so, the indemnified party may assume the defense of such claim; provided, further, that the indemnified party may not settle such claim without the prior written consent of the indemnifying party, which consent may not be unreasonably withheld. If the indemnified party assumes the defense of the claim, the indemnifying party shall reimburse the indemnified party for the reasonable fees and expenses of counsel retained by the indemnified party and the indemnifying party shall be entitled to participate in (but not control) the defense of such claim, with its counsel and at its own expense. The parties agree to render, without compensation, to each other such assistance as they may reasonably require of each other in order to insure the proper and adequate defense of any action, suit or proceeding, whether or not subject to indemnification hereunder. Notwithstanding the foregoing, if any of Sellers assumes the defense of a claim for Taxes for which they are obligated to indemnify Dove or any of its subsidiaries, then such indemnifying party shall not settle or otherwise agree to a resolution of a dispute with respect to such claim if that settlement or resolution would have an adverse impact on the liability of Dove or any of its subsidiaries for any taxable period ending after the date hereof without the express written consent of Dove or such affected subsidiary, which consent will not be unreasonably withheld or delayed.

Section 8.7 Manner of Indemnification. All indemnification payments hereunder shall be effected by payment of cash or delivery of a certified or official bank check in the amount of the indemnification liability.

Section 8.3 Limitations on Indemnification. Notwithstanding the provisions of Section 8.2 and 8.3 to the effect that an indemnifying party's obligation under such section shall expire on the third anniversary hereof, such obligation shall continue (i) as to any matter as to which a claim is submitted in writing to the indemnifying party prior to such third anniversary and identified as a claim for indemnification pursuant to this Agreement or (ii) as to any matter that is based upon willful fraud by the indemnifying party, until such time as such claims and matters are resolved.

## ARTICLE 9.

### DELIVERY OF CLOSING DOCUMENTS

Section 9.1 Deliveries by Sellers and Four Point. Contemporaneously herewith, Sellers hereby deliver to Dove, and Dove acknowledges receipt of, the following:

- (a) Stock certificates evidencing all of the Four Point Shares, duly endorsed for transfer or accompanied by separate instruments of transfer, by each Seller who is the record owner thereof;
- (b) Letters from all of the officers and directors of Four Point, dated as of the Closing, resigning their positions as a director and/or officer of Four Point;
- (c) The original insurance policies listed on Schedule 4.27 (to the extent reasonably requested by Dove);
- (d) Opinion of Heenan Blaikie, together with other counsel to the Sellers, in form and substance satisfactory to Dove;
- (e) Evidence, satisfactory to Dove and its counsel, that Four Point has duly and validly redeemed all issued and outstanding shares of its Preferred Stock prior to the approval by Four Point's shareholders of the Merger, including a recent confirmation thereof by Raniere Caserta and Harvey Goldstein.

Section 9.2 Delivery of Additional Documents. Contemporaneously herewith, the following agreements are being executed and delivered by the respective parties thereto:

- (a) The Employment Agreements of even date herewith;

(b) The Registration Rights Agreement of even date herewith between Dove and the Sellers receiving Dove Shares pursuant hereto in the form of Exhibit D.

#### ARTICLE 10.

##### MISCELLANEOUS

Section 10.1 Notices. All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed given if delivered personally or by facsimile transmission (with subsequent letter confirmation by mail) or three days after being mailed by certified or registered mail, postage prepaid, return receipt requested, to the parties, their successors in interest or their assignees at the following addresses, or at such other addresses as the parties may designate by written notice in the manner aforesaid:

If to Dove or Sub

Dove Audio, Inc.  
301 North Cañon Drive  
Suite 207  
Beverly Hills, CA 90210  
Attention: Michael Viner

With a concurrent copy to:

Kaye, Scholer, Fierman  
Hays & Handler, LLP  
1999 Avenue of the Stars  
Suite 1600  
Los Angeles, CA 90067  
Attention: Barry L. Dastin

If to any Seller:

See Schedule 10.1

With a concurrent copy to:

Heenan Blaikie  
9401 Wilshire Blvd., Suite 1100  
Beverly Hills, CA 90212  
Attention: Daniel H. Black; and  
Bennett J. Yankowitz

Section 10.2 Assignability and Parties in Interest. This Agreement shall not be assignable by any of the parties, except that Dove may assign its rights hereunder to, and have its obligations hereunder assumed by, a wholly-owned subsidiary of Dove; provided, however, that no such assignment shall release Dove from its obligations under this Agreement. This Agreement shall inure to the benefit of and be binding upon the parties and their respective permitted successors and assigns.

Section 10.3 Governing Law. This Agreement shall be governed by, and construed and enforced in accordance with, the internal law, and not the law pertaining to conflicts or choice of law, of the State of California.

Section 10.4 Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

Section 10.5 Complete Agreement. This Agreement, the Exhibits and Schedules and the documents delivered or to be delivered pursuant to this Agreement contain or will contain the entire agreement among the parties with respect to the Transactions and shall supersede in its entirety all previous oral and written and all contemporaneous oral negotiations, commitments and understandings, including the letter of intent with respect to the Transactions.

Section 10.6 Modifications, Amendments and Waivers. This Agreement may be modified, amended or otherwise supplemented by a writing signed by all of the parties. No waiver of any right or power hereunder shall be deemed effective unless and until a writing waiving such right or power is executed by the party waiving such right or power.

Section 10.7 Due Diligence Investigation; Knowledge. All representations and warranties contained herein that are made to the knowledge of a party shall require that such party make reasonable investigation and inquiry with respect thereto to ascertain the correctness and validity thereof.

Section 10.8 Expenses. Except as otherwise expressly provided elsewhere in this Agreement, each party (and not Four Point) shall pay all fees and expenses incurred by it in connection with the transactions contemplated by this Agreement.

Section 10.9 Limit on Interest. Notwithstanding anything in this Agreement to the contrary, no party shall be obligated to pay interest at a rate higher than the maximum rate permitted by applicable law. In the event that an interest rate provided in this Agreement exceeds the maximum rate permitted by applicable law, such interest rate shall be deemed to be reduced to such maximum permissible rate.

Section 10.10 Equitable Remedies. In addition to legal remedies, in recognition of the fact that remedies at law may not

be sufficient, the parties (and their permitted successors and assigns) shall be entitled to equitable remedies for breaches or defaults hereunder, including, without limitation, specific performance and injunction.

Section 10.11 Attorneys' Fees and Costs. Should any party institute any action or proceeding in any court to enforce any provision of this Agreement, the prevailing party shall be entitled to receive from the losing party reasonable attorneys' fees and costs incurred in such action or proceeding, whether or not such action or proceeding is prosecuted to judgment.

Section 10.12 Further Assurances. Each party shall execute and deliver such further instruments and take such further actions as any other party may reasonably request in order to carry out the intent of this Agreement and to consummate the Transactions.

Section 10.13 Contract Interpretation; Construction of Agreement.

(a) The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. Article, section, exhibit, schedule, preamble, recital and party references are to this Agreement unless otherwise stated.

(b) No party, nor its respective counsel, shall be deemed the drafter of this Agreement for purposes of construing the provisions of this Agreement, and all language in all parts of this Agreement shall be construed in accordance with its fair meaning, and not strictly for or against any party.

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

**Dove**

DOVE AUDIO, INC.,  
a California corporation

By: [Signature]

Name:

Title:

**SUB**

DOVE FOUR POINT, INC.,  
a Florida corporation

By: [Signature]

Name:

Title:

**Sellers**

[Signature]  
Shukri Ghalayini

[Signature]  
Ronald M. Ziskin

[Signature]  
Rafic Saadeh

THE SHUKRI GHALAYINI FAMILY TRUST

By: [Signature]

Shukri Ghalayini, Trustee

WEDNER-ZISKIN FAMILY TRUST

By: [Signature]

Ronald M. Ziskin, Trustee



**FOUR POINT**

FOUR POINT ENTERTAINMENT, INC.,  
a Florida corporation

By: \_\_\_\_\_

Name

Title: