



CONVERTIBLE PROMISSORY NOTE

\$25,000.00

November 1st, 2018 (“Effective Date”)

1. **Principal Amount.** For value received, Hollywood Film Holding Corporation, a California corporation (“Borrower”), having a business address at 360 N. Pacific Coast Hwy Suite 2000, El Segundo, CA 90245, promises to pay to the order of _____, an individual living in the State of _____ (“Lender”) in lawful money of the United States of America, without set off or counterclaim, the principal sum of Twenty-Five Thousand Dollars (\$25,000.00) (the “Principal”) by November 1st, 2021, (“Maturity Date”) plus accrued interest.

2. **Interest.** Interest on the unpaid Principal amount will be at an annual rate equal to fifteen percent (15%) (“Interest Rate”). Interest under this convertible promissory note (“Note”) will accrue from the Effective Date to the date paid, and will be computed on the basis of 365 days per year for the actual number of days elapsed. Interest will be paid at the time of prepayment (prorated accordingly), at the Maturity Date or be converted to Common Stock of the Borrower based on the Voluntary Conversion Price which is equal to the quotient obtained by dividing \$5M Valuation of Borrower by the number of Lender’s fully-diluted shares. Borrower further understands and provides warrant to Lender that one year (1 Year) of interest shall be earned regardless of any Principal payments by Borrower during the first year of the Loan. Company also agrees to file and approve the necessary corporate resolutions required to reserve for Lender two hundred and fifty (250) Class A Common Shares of Hollywood Film Holding Corporation stock of the total of all one hundred thousand Shares (100,000 Shares) and two hundred and fifty (250) Class A Common Shares of Hollywood Film Festival Corporation stock of the total of all one hundred thousand Shares (100,000 Shares) to be authorized for issuance and assigned to Lender. Company and Lender understand and agree that Lender will retain the right to assign ownership of any equity associated with this Note to any entity in which Lender holds a majority equity interest.

3. **Post-Maturity Interest.** Any amount of principal and/or interest which remains unpaid when due, whether at Maturity Date, by acceleration, upon prepayment or otherwise, will bear interest from the Maturity Date until said Principal and/or interest amount is paid in full, at an interest rate which is one and one half percent (1.5%) per month above the Interest Rate; provided, however, that the Borrower will never be required to pay interest on this Note at a rate in excess of the maximum interest that may be lawfully charged under the laws of the state of California.

4. **Payments.** All Principal and interest payments in respect of this Note will be made in lawful money of the United States of America in immediately available funds and delivered to the Lender on the Maturity Date due at the office of the Lender or at such other place as the Lender may designate in writing. Should the Maturity Date fall on a holiday or weekend, the Payment will be issued on the following business day.

5. **Application of Payments.** Prior to the occurrence of an Event of Default (as defined below), all payments made by the Borrower to the Lender pursuant to this Note will be applied first to interest and then to Principal. During the existence of an Event of Default all such payments will be applied to the obligations of the Borrower in such order as Lender will determine at their sole discretion.

6. **Prepayments.** Notwithstanding paragraph 5, the Borrower, without premium or penalty, may prepay this Note in whole or in part, with accrued interest to the date of such prepayment on the Principal amount of this Note so prepaid.

7. **Covenants.** The Borrower understands and provides warrant to Lender that so long as any amount remains outstanding, the Borrower will, unless the Lender should otherwise consent in writing, faithfully observe and perform all obligations and undertakings of Borrower.

8. **Applicable Law.** The Borrower agrees that this Note will be deemed to have been made under



and will be governed by the laws of the State of California in all respects, including matters of construction, validity and performance, but excluding conflicts of laws, and that none of its terms or provisions may be waived, altered, modified or amended except as the Lender may consent in writing duly signed for and on its behalf.

9. **Transfer of Note.** The Lender may transfer this Note and assign its financial rights under this Note in whole or in part as it may desire by providing ten (10) day notice to the Borrower. The transfer of the Conversion Option terms of this Note to any other party must be approved in advance by the Borrower. The Borrower may not delegate any of its obligations or assign any of its rights hereunder without the prior written consent of Lender.

10. **Expenses.** The Borrower promises to pay all costs and expenses, including reasonable attorneys' fees, incurred in the collection and enforcement of this Note.

11. **Notices.** All notices and/or other communications will be in writing and be delivered via mail and email.

12. **Indemnification.** In addition to the payment of expenses pursuant to paragraph 11, the Borrower indemnifies, exonerates and holds the Lender, its agents, successors and assigns (each, an "Indemnified Party") free and harmless from and against any and all actions, causes of action, suits, costs, liabilities, losses, damages, injuries, expenses and claims of any and every kind whatsoever (including, without limitation, court costs and attorneys' fees in connection with any investigative, administrative or judicial proceeding commenced or threatened, whether or not any Indemnified Party will be designated a party therein) that may be imposed on, incurred by, or asserted against any Indemnified Party, in any manner relating to or arising out of (a) this Note or (b) the use or intended use of the proceeds of the loan evidenced; provided that the Borrower will have no obligation to an Indemnified Party with respect to any losses, costs, expenses or liabilities arising from the gross negligence or willful misconduct of such Indemnified Party.

13. **Severability.** Any provision of this Note which is prohibited or unenforceable in any jurisdiction will, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions or affecting the validity or enforceability of such provision in any other jurisdiction.

14. **WAIVER OF JURY TRIAL.** THE BORROWER BY ISSUING THIS NOTE, AND LENDER BY THEIR ACCEPTANCE OF THIS NOTE, EACH KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHTS UNDER OR WITH RESPECT TO THIS NOTE OR ANY DOCUMENT, INSTRUMENT OR AGREEMENT DELIVERED OR WHICH MAY IN THE FUTURE BE DELIVERED IN CONNECTION HEREWITH, AND AGREES THAT ANY SUCH ACTION OR PROCEEDING WILL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.

The undersigned has duly executed this Note as of the date first written above.

BORROWER:

LENDER:

Hollywood Film Holding Corporation

Lender Acknowledgement

By: _____
Bradford Parks, Chairman

By: _____