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JAN 2 0 2011

UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICTOR NEW YORK

KINOJUZ I.P.

(a company under the laws of Kazakhstan)

**Plaintiffs** 

IRP INTERNATIONAL INC. (a New York corporation): OULIAN DOUBININE; IGOR ERLIKH (both residents of New York State)

and DOES from 1 to 100

**Defendants** 

# AETIJA No. 0299

**COMPLAINT** 

FOR COLLECTION OF DEBT, FOR ORDERS, DECLARATORY JUDGMENT, DAMAGES AND ZARRY, J. OTHER RELIEF BASED ON: ZARRY, J.

- 1. BREACH OF CONTRACT; ORELSKY, M.J. 2. CONVERSION: OHORELSKY, M.J.
- 2. CONVERSION;
- 3. MONEY HAD AND RECEIVED;
- 4. FRAUD:
- 5. MISREPRESENTATION;
- 6. CIVIL CONSPIRACY;
- 7. BREACH OF FIDUCIARY DUTIES:
- 8. UNJUST ENRICHMENT;
- 9. PIERCING CORPORATE VEIL:
- 10. DECLARATORY RELIEF

## I. NATURE OF ACTION

This is an action to collect the prepayment under the contract, in the amount of \$200,000, which, pursuant to a contract, was paid by plaintiff and obtained by defendants under their control. Plaintiff further seeks that the Court's judgment against defendants to award other damages, including but not limited, to the award of the anticipated profits, prorated as to the funding actually made by plaintiff, in the amount of \$700,000.

#### II. PARTIES

- 1. Plaintiff KINOJUZ I.P. is a limited liability company created and existing under the laws of Kazakhstan, at the address: Ave Tauke-Khan 35 B, Shymkent, Kazakhstan.
- 2. Defendant IRP INTERNATIONAL, INC. (hereinafter also "IRP") is a corporation registered and existing under the laws of the State of New York, with registered address: 1408 Avenue X, Brooklyn, NY, 11235. According to the State Department of New York, that corporation was registered on January 17, 2006 and exists at this time, although no registered agent is identified in the public records.
- 3. Defendant OULIAN DOUBININE aka Dulian Doubinin, aka Ulian Doubinine (also "Doubinine"), is an individual residing in the State of New York, with the last known address: 1437 W 4<sup>th</sup> Street #3, Brooklyn, NY 11204. Another address associated with said defendant is: 1015 Avenue Z #2, Brooklyn, NY 11235. Doubinine has held himself out as the Vice President of IRP International Inc., identified above. On information and belief, Doubinine immigrated from Kazakhstan in about 1992.
- 4. Defendant IGOR ERLIKH (hereinafter also "Erlikh") is an individual residing in the State of New York, won information and belief at the address: 6910 Avenue U, #25, Brooklyn, NY 11234, other associated addresses being: 6501 Bay Pkwy, Brooklyn, NY 1124 and 1331 86<sup>th</sup> St., Brooklyn, NY 11236. Erlikh has held himself out as a principal of IRP. On information and belief, Igor Erlikh immigrated from Ukraine.

#### II. JURISDICTION AND VENUE

5. This Court has jurisdiction because of the diversity of citizenship pursuant to 28 U.S.C. §1332. For purposes of jurisdiction, plaintiff is a citizen of the Republic of Kazakhstan.

- 6. For purposes of diversity of citizenship, defendants are citizens of State of New York, with the registration and/or residential addresses in the State of New York, i.e. different from plaintiff's location.
- 7. The amount in controversy, exclusive of interest and costs, is in excess of the statutory minimum of \$75,000.
- 8. Venue is also proper because defendant IRP is a corporation registered and existing under the state laws of this District, with main offices in New York City. Likewise, the two individual defendants also reside in New York City.

#### **III. UNDERLYING FACTS**

## A. Circumstances of Concluding Contract

- 9. The movie industry in Kazakhstan has a substantial market, with a strong interest of the Kazakh public to see movies, based on the life in Kazakhstan. There is an interest in the new cinematic projects in Kazakhstan on the international market as well.
- 10. At all times relevant hereto, Kinojuz has been, and is one, of a few studios in Kazakhstan, located in Shymkent, a large city in the South of Kazakhstan. Kinojuz has been run by Zhorabek Musabayev, its principal.
- 11. Kinojuz and Musabayev were looking for partners to materialize a substantial cinematic project, based on a script created by a Kazakh writer Mikhmud Tuychev, well known in that country. The provisional title to the movie is to be "My Only" (the feature movie was about a romantic relationship in Kazakhstan).
- 12. The tentative market research in Kazakhstan has showed that the costs of producing such a movie could be up to \$3 million, with the potential market for sales and revenues, both from the cinematic projection and from television, up to \$30 million, with a profit of over \$15 million. Kinojuz's approach to banks in Kazakhstan showed that

those were willing to undertake limited investment into that cinematic project but that joint venture with foreign participants was desirable.

- 13. In early 2007, Kinojuz and Musabayev learnt about Oulian Doubinine ("Doubinine"), a native of Kazakhstan, who, on information and belief, emigrated to the U.S. in about 1992, and has since received a U.S. citizenship.
- 14. Prior to his emigration to the U.S., Doubinine had been active in the cinematic industry in Kazakhstan, or at least made such representations about his experience. Since his immigration, Doubinine lived in Brooklyn, NY, but was a frequent visitor to his native country Kazakhstan, at times living there up to 6 months a year.
- 15. In about March of 2007, Musabayev met with Doubinine in Kazakhstan, namely in Almaty, a former capital of that country, and later in Shymkent. They discussed Kinojuz's cinematic project based on the above mentioned "My Only" script. Doubinine offered to participate in the project and to provide investments and American cinematic expertise.
- 16. Doubinine also introduced Igor Erlikh (hereinafter "Erlikh"), who was visiting in Kazakhstan, as an entrepreneur who could help materialize that project. As mentioned above, Erlikh has also been a resident of Brooklyn, NY, after having emigrated from Ukraine, also having obtained the U.S. citizenship.
- 17. In the course of their discussions in Kazakhstan with Kinojuz and Musabayev, Doubinine and Erlikh made representations that they could indeed help materialize the project on the basis of a joint venture with an apportionment of participation in that project, regarding both the costs and the revenues.

- 18. Doubinine and Erlikh proposed to back that cinematic project by their company in the State of New York, by the name IRP International Inc. ("IRP"), with the address: 1408 Avenue X, Brooklyn NY 11235.
- 19. By submitting the proposal, Doubinine and Erlikh did not inform Musabayev that, on information and belief, IRP essentially had no experience in filmmaking, that IRP had no publicly known assets and that it was used by individuals for obtaining moneys on false pretenses.
- 20. In early March of 2007, the parties concluded a preliminary agreement, subject to its finalization, depending upon Kinojuz's obtaining funding in Kazakhstan. That finalization occurred by early December of 2007, when Kinojuz was able to obtain the installment of \$200,000.
- 21. In fact, that installment was supported by the collateral by Musabayev, who committed his personal assets towards obtaining that loan from a Kazakh bank, and ultimately became personally liable on that loan.

## B. The Terms of the Contract and Payment Made by Plaintiff

- 22. As mentioned above, that preliminary contract (hereinafter "the Contract") was finalized in Shymkent, Kazakhstan, on December 3, 2007, which was similar with the one concluded in March of 2007, but differed in that Kinojuz could obtain funds in installments, i.e. previewing the installment of \$200,000.
- 23. Exhibit A to the present Complaint represents the copy of the finalized Contract, as it was executed in the Russian language, i.e. signed and sealed by the parties, including the translation thereof.

- 24. That Contract previewed for the creation of the movie, as described above, on the basis of joint production by Kinojuz and IRP, with the title "My Only", as described above, with the estimated total budget of \$3,000,000.
- 25. The parties were to complete the production of the movie within a year from commencing it. The completed movie was to be a joint property of Kinojuz and IRP, in proportion to their respective contribution, namely Kinojuz 30% and IRP 70%.
- 26. Under the agreement's Paragraph 3, 'Terms of Financial Settlements', Kinojuz was to pay \$200,000. In its turn, IRP was to commence the payments to the project's budget on January 1, 2008. IRP was obligated to obtain and provide the bulk of the funding towards the project.
- 27. The Contract previewed that after recovering the costs, all and any future revenues from the distribution sales, by any means and media, were to be effected in accordance with the following terms: Kinojuz was entitled to 100% of sales and revenues in Kazakhstan and 50% of sales and revenues outside of Kazakhstan.
- 28. The Contract further provided, under Paragraph 3.4 a merger clause, i.e. that "any changes in the costs of the production of the movie after signing the present Contract shall be materialized per additional agreement of the Parties."
- 29. Finally, the Contract previewed a conditional provision of arbitration proceedings, subject to the term that the parties could agree on an independent arbitration forum in a neutral jurisdiction.
- 30. As the implementation of the financial provision of the Contract, on December 3, 2007, Kinojuz made an order to its bank, i.e. Demir Bank, Kazakhstan, to wire transfer \$200,000 from Kinojuz's account PPH 582310611708, to the account of

IRP at J.P. Morgan Chase Bank, SWIFT CHASUS33, ABA 021000021, account 907248892065.

## C. Repudiation of the Contract, Misappropriation of Prepayment by Plaintiff

- 31. Upon the December 3, 2007 transfer to the account in the name of IRP, on information and belief, IRP's account was credited with that amount within the next 5 business days. The funds were received at JP Morgan Chase Bank, ABA 021000021, Account 907248892065
- 32. IRP was obligated to commence making its own contribution to the budget of the filmmaking from January 1, 2008. IRP was to disclose a separate account for the cinematic project to be set up, as well as well as to commence disbursements for the ongoing costs of the movie production.
- 33. On information and belief, IRP did not make any disbursements identified in the contract, nor did its principals have such an intention.
- 34. In a short period of time, IRP's principals, Doubinine and Erlikh, started to make representations about temporary obstacles with the production of the movies, agreed under the Contract, postponing the dates for their performance.
- 35. On April 18, 2009, plaintiff's attorney in the U.S. sent to defendants a demand letter, by registered mail, demanding from to refund the monies obtained in December of 2007. Alternatively, as the letter warned, the case would be filed in a court of competent jurisdiction.
- 36. That letter from counsel, apparently, had certain effect in the sense that Doubinine and Erlikh reactivated their contacts with Kinojuz and Musabayev, providing further promises, with new dates and explanations. Therefore, the filing of the case for collection of the debt and of damages was postponed.

37. However, as it became ultimately clear, defendants continued their misrepresentations with the sole objective just to gain time. As a result, not one dollar out of the \$200,000 has been returned to Kinojuz to date.

#### COUNT I. BREACH OF CONTRACT

- 38. Plaintiffs incorporate by reference the allegations in Paragraphs 1 to 37 above, as if restated herewith with the same force and effect.
- 39. As Exhibit A demonstrates, on December 3, 2007, Kinojuz concluded the Contract with IRP, signed by Doubinine, with a seal in the name of IRP.
- 40. Upon receipt of \$200,000, with reference to Exhibit B, however, defendants engaged in providing vague promises that the Contract was being implemented.
- 41. As it turned out, defendants took the proceeds for their own benefit and had no intention to fulfill that Contract, previewing the filmmaking and shooting of the movie with the title "My Only".
- 42. Accordingly, Kinojuz is entitled to relief under the count 'breach of contract', including the assets actually transferred, i.e. \$200,000, damages under breach of contract, including for the loss of anticipated profits in the amount of at least \$700,000.

#### **COUNT II. CONVERSION**

- 43. Plaintiff incorporates by reference the allegations in Paragraphs 1 to 42 above, as if restated herewith with the same force and effect.
- 44. As the facts show, upon obtaining \$200,000 on the account in the name of IRP, individual defendants then converted the funds to their own use and benefit.
- 45. All defendants have continued to conceal information what they did with the funds obtained under their control.

- 46. On information and belief, defendants used those funds for their personal purposes, which had nothing to do with the Contract and their representations towards obtaining those assets.
- 47. Accordingly, Kinojuz is entitled to relief under the count 'conversion', including disgorgement of \$200,000, with interest and costs.

## COUNT III. MONEY HAD AND RECEIVED

- 48. Plaintiff incorporates by reference the allegations in Paragraphs 1 to 47 above, as if restated herewith with the same force and effect.
- 49. As Exhibit B shows, defendants obtained \$200,000 on their account in the name of IRP, within approximately 5 days after December 3, 2007. Thereupon, individual defendants used those funds for other purposes.
- 50. On information and belief, defendants used those funds for their personal purposes, which use had nothing to do with their representations.
- 51. Accordingly, Kinojuz is entitled to disgorgement of \$200,000, with interest and costs.

#### **COUNT IV. FRAUD**

- 52. Plaintiffs incorporate by reference the allegations in Paragraphs 1 to 51 above, as if restated herewith with the same force and effect.
- 53. As the evidence shows, defendants, making representations, or, alternatively, concealing material facts, engaged in a fraudulent scheme, to obtain the funds from Kinojuz. That included their several meetings in Kazakhstan, including their representations to Kinojuz in March of 2006 in Almaty. Defendants made oral assurances and expressed personal guarantees of Doubinine and Erlikh of a secure investment into the project should the funds be wired to IRP's account. On information

and belief, Erlikh traveled to Kazakhstan only with the sole purpose of convincing Kinojuz to wire transfer the money, and his entire trip served the purpose of perpetrating that pre-planned fraud towards obtaining the funds.

- 54. That fraud was sophisticated, it was undertaken by two individuals acting in concert and using their nominee company in New York. That fraud, of promising substantial investments, subject to a contribution by the potential victim, is similar to the fraud scheme, known as the "Nigerian letters", even though originated in New York. Moreover, as it turned out, on information and belief, Erlikh had nothing to do with the cinematic business at all and would not be in a position to do anything of value for the movie production.
  - 55. Accordingly, Kinojuz is entitled to relief under the count 'fraud' asserted against defendants.

## COUNT V. MISREPRESENTATION

- 56. Plaintiff incorporates by reference the allegations in Paragraphs 1 to 55 above, as if restated herewith with the same force and effect.
- 57. Defendants made misrepresentations before Kinojuz, while attempting to obtain the funds, particularly at the meetings with Kinojuz in Almaty in March of 2006 and at other times. In fact, if not defendants' false pretenses, they would have not obtained those funds.
- 58. In fact, defendants never intended to repay. As mentioned above, the misrepresentations towards obtaining funds upfront, promising greater funds to be available, i.e. similarly to the 'Nigerian letters' scheme, used by various con artists.
- 59. Kinojuz is entitled to damages under the count 'misrepresentation' asserted against defendants.

#### COUNT VI. CIVIL CONSPIRACY

- 60. Plaintiff incorporates by reference the allegations in Paragraphs 1 to 59 above, as if restated herewith with the same force and effect.
- 61. As the facts show, from the outset Doubinine and Erlikh conspired among themselves to obtain Kinojuz's funds, using IRP, never intending to deliver on the obligations under the Contract.
- 62. Although not completely avoiding contacts with Kinojuz subsequently, defendants nonetheless made those contacts difficult, and used irregular contacts only to assuage the concern with the fraud committed, and to gain time.
  - 63. Plaintiff is entitled to damages under the count 'civil conspiracy'.

#### COUNT VII. BREACH OF FIDUCIARY DUTIES

- 64. Plaintiff incorporates by reference the allegations in Paragraphs 1 to 63 above, as if restated herewith with the same force and effect.
- 65. By way of concluding the Contract, IRP and its three principals undertook fiduciary duties before Kinojuz, not to convert the funds to be transferred by Kinojuz. In fact, Doubinine and Erlikh acted in breach of their fiduciary duties before Kinojuz, including an obligation of not making misrepresentations, and not to engage in fraud.
- 66. Joint production of a feature movie, as a special kind of joint and close cooperation, imposes fiduciary duties on the participants in venture, not to jeopardize the entire movie project. For example, Doubinine committed to be a co-producer of the movie, and his repudiation destroyed the chances of the movie being produced. Plaintiff is entitled to damages for breach of fiduciary duties.

#### COUNT VIII. UNJUST ENRICHMENT

- 67. Plaintiff incorporates by reference the allegations in Paragraphs 1 to 66 above, as if restated herewith with the same force and effect.
- 68. As shown in Exhibit B, in December of 2007, defendants obtained, through an account in the name of IRP, \$200,000 and then converted those amounts.
  - 69. By way of obtaining those proceeds, defendants were unjustly enriched.
  - 70. Accordingly, plaintiff is entitled to damages for unjust enrichment.

## COUNT IX. PIERCING CORPORATE VEIL

- 71. Plaintiff incorporates by reference the allegations in Paragraphs 1 to 70 above, as if restated herewith with the same force and effect.
- 72. As an independent review of public records shows, there are no records on IRP in Yellow Pages, White Pages, or any other publicly available data sources, as if that corporation does not engage in any business or does not exist.
- 73. As another feature, searches on Google or other search engines show no references to, or mentioning of, any business undertaken by IRP.
- 74. 'As the facts in this case show, in fact IRP did not engage in business, but existed for the purpose of a personal enrichment of the two individuals, who controlled its account at J.P. Morgan, Doubinine and Erlikh.
- 75. Accordingly, plaintiff is entitled to relief under the count of 'piercing corporate veil', namely to the adjudication that a corporate shield is unavailable to Doubinine and Erlikh, for purposes of a satisfying a judgment.

#### COUNT X. DECLARATORY JUDGMENT

76. Plaintiff incorporates by reference the allegations in Paragraphs 1 to 75 above, as if restated herewith with the same force and effect.

- 77. As the facts above show, Doubinine and Erlikh used IRP for personal enrichment without corporate formalities.
- 78. There is an actual controversy whether IRP was or was not a corporate entity and whether its corporate existence should be disregarded for purposes of satisfying a judgment in this action.
  - 79. Plaintiff is entitled to relief under the count 'declaratory judgment'.

#### PRAYERS FOR RELIEF

THEREFORE, Plaintiff requests this honorable Court to grant relief as follows:

- 1) To order all three defendants to repay, jointly and severally, the investment amounting to \$200,000 to Kinojuz, with statutory interest accrued since the date of December 3, 2007, when they received those funds on the account in the name of IRP;
- 2) To order defendants to pay, jointly and severally, damages under each and every Count above, including but not limited to, the profits anticipated by plaintiff from the cinematic project, prorated as to the funds actually prepaid towards that project, i.e. estimated to be in the amount of \$700,000;
- 3) To award punitive and/or exemplary damages against Doubinine and Erlikh, for the intentional misrepresentations and for obtaining funds from Kinojuz by use of false pretenses, to the full extent allowed by the applicable law;
- 4) To issue a declaratory judgment that IRP was an *alter ego* of Doubinine and Erlikh, for purposes of unlawful obtaining funds from a victim of fraud, Kinojuz;
- 5) To declare that Doubinine and Erlikh are jointly and severally liable on the debt under the Contract with Kinojuz, for purposes of satisfying a judgment in this case;
- To award attorneys' fees and costs, and such further relief that is just and fair.

  Respectfully submitted:

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Dated: January 7, 2011

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GEORGE LAMBERT (D.C. Bar No. 979327),

pro hac vice

/s/

LAW OFFICES OF LEONARD SUCHANEK

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Washington, D.C., 20036

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E-mail: lawdc10@aol.com

Attorneys for Plaintiff Kinojuz I.P.

## **EXHIBIT A**

Translation

#### CONTRACT ON JOINT PRODUCTION

City of Shymkent,

December 3, 2007

The undersigned, IP Musabayev Zh.T. (hereinafter "Kinozhuz"), Republic of Kazakhstan, represented by its Director General Zhorabek Musabayev, which is identified below as Party 1, on the one hand, and IRP International Inc., USA, represented by its Vice President Oulian Dubinin, which is identified below as Party 2, on the other hand, have concluded herewith an agreement. The parties have discussed and agreed on the following:

#### I. Subject Matter of Contract

- 1.1. The parties have agreed to undertake a joint production of a full-length feature movie to be shown in cinemas or on television, upon the scenario by Mikhmud Tuychev. The temporary or the final title of the movie is to be "My Only".
- 1.2. The parties plan to commence the work on the movie on March 12, 2007 and to complete the production of the movie by March 25, 2008.
- 1.3. The finished movie will be a joint property of Party 1 and Party 2, in proportion to their respective contribution, namely: Party 1: 30% and Party 2: 70%.

#### 2. Assignment of Rights to the Script

- 2.1. Party 1 verifies before Party 2 that Party 1 is the only holder of the rights to the cinematic and television production, in all the forms, in the entire world, and that it holds the full title to the literary and artistic property, with regard to the script, which is temporarily or permanently entitled "My Only". Party 1 further guarantees to Party 2 the same.
- 22. Party 1 assigns the rights, previewed under Paragraph 2.1 to Party 2, for the time, necessary for preparing the producing and the completion of the movie.
- Each of the Parties will produce to the other Party the photographic copy of the contract or contracts with the authorities in their respective countries, as well as the original statements on the part of the authorities, confirming the assignment of the rights, as well as all the necessary documents, required by the Parties, in particular those that concern the preparation of documents for submission to the administrative authorities in the respective country.

All the amounts, due to the respective authorities pursuant to the contracts on the assignment of rights, excluding, proportionally, the reward for the participation in the future use of the movie,

will be included into the costs of the movie. In that manner, according to the implementation of the present project, each Party will become the holder of the above identified rights, in proportion to their participation, i.e. Party 1—30% and Party 2—70%.

#### 3. Terms of Financial Settlements

- 3. The approximate budget of the movie, such as reflecting the real costs of its production shall not exceed \$3 million.
- 3.2. The financing by Party 1 will be constitute \$200,000 (two hundred thousand), by way of transferring these monetary means to Party 2.
- 3.3. Party 2 implements its portion of funding of the cinematic project by way of transferring the above to the account of Party 1, starting from January 1, 2008.
- 3.4. Any changes in the costs of the production of the movie after signing the present Contract shall be materialized per additional agreement of the Parties, by way of making changes in the present Contract.
- 3.5. After recovering the costs, all and any future revenues from the distribution sales, by all means, including to any and all informational media, that are known or still unknown at the present time, will be effected in accordance with the proportion: 50% to Party 1 and 40% to Party 2.

#### 4. Obligations of the Parties

- 4.1. Party 1 undertakes the preparation of the script and involving the director of the movie.
- 4.2. Party 2 undertakes the following: adaptation and finalizing the script and involving the second director of the movie.

#### 5. Production of the Movie

- 5.1. Zhorabek Musabayev and Oulian Dubinin will be co-producers of the movie. D.K. Zhanbulatov will be the financial director of the movie.
- 5.2. Party 2 will undertake the organization of the production of the movie.
- 5.3. Party 1 will undertake the accounting for the movie, inasmuch as accounting concerns the territory of Kazakhstan, whereas Party 2 will undertake the accounting for the movie inasmuch as accounting concerns the territory of the USA.
- 5.4. Possible co-authors, actors and the filming crew will be selected per joint decisions of the Parties.
- 5.5. All decisions concerning the production of the movie will be made jointly by the Parties.

5.6. Each of the Parties will undertake its own responsibilities as well as secure the obligations taken for the third parties involved by them.

#### 6. Terms for Production of the Movie

- 6.1. The movie will be shot on a color film.
- 6.2. The review of the materials will be undertaken at least once within two days after the film's processing, if the terms for showing at the shooting locations will allow seeing it after the film's processing. The directors will get an opportunity to review the synchronized material in the studios or in the laboratory on the terms identified above.

#### 7. Insurance Coverage

- 7.1. Party 2 will undertake all the necessary insurance coverage in the USA, as required for shooting a film, as well as all the other insurance protection as needed. The Xerox copies of the insurance policies, signed by Party 2, will be sent to the address of Party 1, and the insurance costs will be included into the costs of the movie. In the event of the project's complete failure, the costs of liquidating the damages will be shared by the Parties in accordance with their contribution and their obligations. The amount for covering the damages shall be sufficient for the complete coverage of the debts.
- 8.1. In accordance with the present Contract, the Parties will be becoming the holders of the ownership of the production of the movie, as well as of the ownership of all material and non-material elements of the movies, including the rights for a remake. In particular, the Parties will become the co-owners of the film's negative, in the proportion: Party 1: 50%, Party 2: 50%.

Each of the joint producers shall not undertake any obligation in the course of producing the movie or agree to provide as collateral or contribute any part of the material or non-material elements of the movies, which act can interfere with the freewill implementation by the other co-producers of the respective rights.

#### 9. Distribution of Rights and of Revenues

9.1. Party 1 will receive the exclusive rights for showing the movies in its any forms on the territory of Kazakhstan. All profits, i.e. 100%, received from the exploitation of the movie there, shall belong to Party 1.

#### 10. International Sales

10.1. The parties, by virtue of the present Contract, transfer the mandate for the international sales and use of the movies, i.e. to all other countries of the world, to Party 2.

10.2. After refunding all costs of producing the movie, all the profits, received from the use of the movie in all countries of the world, except for those identified under Paragraph 10.1 of the present Contract, shall belong to the Parties as follows: Party 1: 50%, Party 2: 50%.

### 11. Responsibility under Obligations

11.1. In no case shall a joint producer will be responsible for the obligations undertaken by the other joint producer, even when this refers to the present movie.

#### 12. Arbitration.

- 12.1. The parties will undertake all the possible measures for amicable resolving all the disputes and controversies arising from the present Contract.
- 12.2. If the Parties will not come to the agreement on the disputes and controversies that arise between them, then such disputes should be transferred to an external and neutral arbitration body, selected and agreed upon by the Parties, with the payment by the prevailing Party of the court costs and of the fees of the attorneys.

#### 13. Election of Legal Address

The Parties elect their legal addresses in accordance with their actual offices addresses:

IRP International Inc., USA 1408 Avenue X, Brooklyn NY 11235 JP Morgan Chase Bank SWIFT CHASUS33 ABA 021000021

Account 907248892065

IP Musabayev Zh.T. (Kinozhuz), Kazakhstan

Shymkent, Ave Tauke-Khan 35 B, Citibank USA

SWIFT code CITIUS22

Account 36208399

PHH 582310611708

Certificate No. 002581 of June 4, 2001, Demir

Kazakhstan Bank, Account No. 500070922

By Director General:

By Vice President

O. Dubinin

Signature, stamp

Zh. Musabayev

Signature, stamp

#### Certification of translation.

I, Tatiana Suchkova, certify that Russian is my native language, that, by virtue of my education in linguistics and my teaching experience as a language teacher, the foregoing translation into English is true and correct.

. Dated: December 18, 2010. Signed: T. Suchkova

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#### КОНТРАКТ О КОПРОДУКЦИИ

#### Г. Шымкент

03 декабря 2007г.

Между нижеподписавшимися: Компанией ИП «Мусабаев Ж.Т.» («КиноЖуз»), Республика Казахстан, представленной Генеральным директором Жорабеком Мусабаевым, именуемой ниже Сторона 1, с одной стороны и Компанией IRP International INC, США, представленной Вице-президентом компании Ульяном Дубининым, именуемой ниже Сторона 2, с другой стороны. Стороны обсудили и договорились о инжеследующем:

#### 1. Предмет контракта

- 1.1. Стороны договорились осуществить совместную постановку полнометражного художественного фильма для показа в кинотеатрах или на телевидении по сценарию Махмуда Туйчиева, временное или окончательное название которого «Моя единственная» 1.2. Стороны планируют начать работу над фильмом 03.12.2007г. и закончить фильм 25.03.2008г.
- 1.3. Законченный производством фильм является долевой собственностью Стороны 1 и Стороны 2 пропорциональной их вкладам: Стороне 1 30%, Стороне 2 70%.

#### 2. Уступка прав на сценарий

2.1. Сторона 1 удостоверяет Строну 2, что она является единственным правовладельцем на кинематографическую и телевизионную постановку во всех формах, на весь мир, на литературную и художественную собственность, касающуюся сценария, временно или окончательно именуемого «Моя единственная» и гарантирует выше изложенное Стороне 2.2. Сторона 1 уступает права, оговоренные пунктом 2.1. Стороне 2 на время, необходимое для подготовки запуска фильма и его завершения.

Каждая из Сторон представит другой Стороне, фотокопию на контракт или контракты с авторами, а также оригинальные заявления со стороны авторов, подтверждающие уступку ими прав ,а также все необходимые документы, затребованные Сторонами, в частности, те, которые касаются подготовки документов для предоставления административным властям каждой из стран.

Все суммы, полагающиеся авторам в соответствии с контрактами по уступке ими прав, за исключением пропорционального вознаграждения за участие будущей эксплуатации фильма, будут включены в стоимость фильма. Таким образом, по мере осуществления ј проекта каждая Сторона станет владельцем вышеуказанных прав в соответствии с процентом его участия, т.е.: Сторона 1 - 30%, Сторона 2 - 70%.

#### 3. Условия расчетов

- 3.1. Примерный бюджет фильма, отражающий реальные издержки его производства в сумме не должен превышать 3 000 000 (три миллиона долларов).
- 3.2. Финансирование осуществляется Стороной 1 в размере 200 000 долларов США (двести девяносто тысяч) путем перечисления денежных средств Стороне 2.
- 3.3. Сторона 2 осуществляет свою долю к финансированию кинопроекта путем перечисления на р/с Стороны 1 с. 01.01.08 г.
- 3.4. Изменения стоимости производства фильма после подписания настоящего Контракта осуществляется по согласованию Сторон, при этом вносятся соответствующие изменения в настоящий Контракт.
- 3.5. После погашения затрат, извлечение всех и любых будущих доходов от продаж всеми способами и в любые и во все информационные средства, известные или еще неизвестные на сегоднящний день будет осуществляться в соответствии Сторона 1 50%, Сторона 2 50%.

#### 4. Обязанности сторон

- 4.1. В обязанности Стороны 1 входит подготовка сценария и привлечение режиссера-постановщика.
- 4.2. В обязанности Стороны 2 входит: адаптация и доработка сценария, привлечение сорежиссера-постановщика.

По согласованию со Сторовой 1 привлекает художника-поставщика, оператора-постановщика и композитора.

#### 5. Производство

- 5.1. Продюсерами фильма являются Генеральные продюсера проекта: Мусабаев Жорабек и Дубинии Ульян. Финансовый директор Жанбулатов Д.К.
- 5.2. Организация производства фильма будет осуществляться Стороной 2.
- 5.3. Бухгалтерия производства фильма будет осуществляться Стороной 1, в том, что касается расходов на территории Казахстана, Стороной 2, в том, что касается расходов на территории СПА.
- 5.4. Возможные соавторы, артисты и съемочная группа будут отобраны по совместному соглашению Сторон.
- 5.5. Все решения, касающиеся монтажа фильма, будут приняты по совместному Договору Сторон.
- 5.6. Каждая из Сторон сама несет ответственность за принятые обязательства в отношении третьих лиц.

#### 6. Условия производства фильма

- 6.1. Фильм будет сниматься на цветной пленке.
- 6.2. Просмотр отснятого материала будет осуществляться по крайней мере раз в два дня после его обработки, если условтия показа на местах съемки не позволяют просмотр на двух пленках, продюсеры получат возможность отсмотреть синхронизированный отснятый материал в студии или в лаборатории на тех же условиях, которые были оговорены выше.

#### 7. Страховая защита

7.1. Сторона 2 возьмет на себя в США все необходимые страховые обязательства, требуемые при съемках, а также всю остальную страховую защиту. Фотокопия страховых полисов, подписанная Стороной 2 будет выслана в адрес Стороны 1,а страховые выплаты будут включены в стоимость фильма. В случае полного провала стоимость ликвидации ущерба будет поделена между Сторонами в соответствии с их вкладами и обязательствами. Сумма для покрытия ущерба должна быть достаточной для полного погащения долгов.

#### 8. Стоимость негатива

8.1. В соответствии с настоящим Контрактом Стороны по мере продвижения в осуществлении производства фильма становятся владельцами всех вещественных и невещественных элементов фильма, включая права на римейк, в частности Стороны ставятся совладеньцами негатива: Сторона 1 - 50%, Сторона 2 - 50%. Каждый из сопродюсеров не должен брать на себя в течение производства фильма любое обязательство и соглашаться на залог или заклад его части вещественных и невещественных элементов фильма, которые могли бы помещать свободному исполнению другими коопродюсерами их собственных прав.

#### 9. Распределение прав и доходов

**9.1.** Сторона 1 получит эксклюзивное право на эксплуатацию фильма во всех формах на территории Казахстана. Доходы, полученные от эксплуатации фильма в размере 100%, принадлежат Стороне 1.

10. Международная продажа

10.1 стороны настоящим соглашением передают мандат на международную продажу и эксплуатацию фильма, т.е. на все страны мира - Стороне 2.

10.2. После возмешения затрат на производства фильма доходы, полученные от эксплуатации фильма во всех странах мира, за исключением оговоренных в пункте 10.1. настоящего Контракта принадлежат Сторонам соответственно

Сторона 1 - 50% Сторона 2-50%

#### 11. Ответственность по обизательствам

11.1. Ни в коем случае коопродюсер не может быть ответственным за обязательства, принятые другим коопродюсером, даже в случае, если эти обязательства относятся к настоящему фильму.

#### 12. Арбитраж

12.1. Стороны примут все возможные меры для дружеского разрешения всех споров или разногласий, могущих возникнуть из настоящего Контракта.

12т2. Если Стороны не придут к соглашению по возникшим спорам и противоречиям, таковые противоречия должны быть преданы по внешней и нейтральной арбитражный орган, выбранный и согласованный Сторонами, с оплатой выигравшей Стороной судебных издержек и гонораров адвокатов.

### 13. Выбор юридического адреса

Стороны выбирают юридический адрес в соответствии с их фактическим месторасположением.

IRP International Inc. USA.

1408 Avenue X Brooklyn N.Y. 11235 JP Morgan Chase Bank SWIFT CHASUS33 ABA 021000021 Account 907248892065 ИП «Мусабаев Ж.Т.» («КиноЖуз») Казахстан

г. Шымкент, пр-т Таукс-хана, 35 «Б» USA Citibank SWIFT code CITIUS33 Account 36208399 PHH 582310611708 Свидетельство № 002581 от 04.06.2001г.

Демир Казахстан Банк Счет № 580070922

**унчэ**звеный директор

Mygattaen ak

(1)

Вице-президент

Дубаниц У м НОО

## **EXHIBIT B**

Case 1:11-cv-00299-DLI -V\	/P Document 1 Filed 01/20/11 Page 24 of 25 код
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77047	Счёт № 907248892065 КБе
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#### Case 1:11-cv-00299-DLI -VVP Document 1 Filed 01/20/11 Page 25 of 25

The Demir Kazakhstal, ink, Almaty, Kazakhstan (hereafter referred as the Bayesecutes money transfer transaction according to the Currency Legislation of the Republic of Kazakhstan and in compliance with terms and conditions of main Contract concluded between Applicant and Beneficiary.

Disbursement of the transferred funds is subject to any Rules and Regulations of the country where payment is done to. The liability of the Bank, related to the disbursement of the transferred funds will not exceed the amount of the transferred funds. The Bank or its correspondents or agents will not be responsible for any delay or loss, caused by Acts or Orders of any Government or Government Agency, or for any other cause whatsoever.

The Bank will carry out its customary operations for the remittance of the fund in accordance with this contract. Acting on behalf of the Applicant, the Bank will be free in choosing any correspondent banks, agents or subagents. The Bank or its correspondent banks or agents will not be responsible for the distortions, variant reading, omissions in the payment order text. The Bank may send any message relative to this transfer in fixed language, code or cipher.

The Bank will not be responsible for errors or delays in transmission of the payment originating from the electronic, telex communications or from the post offices, telegraph, telex, or electronic companies or from any employees of such companies or from any other cause, originating during the transmission of the payment by telex or by any other kind of communications, or non-transmission of payment under the causes which are not related to the Bank and which are out of the Bank's control.

The Bank will not be responsible for any errors, neglects, instructions incompleteness or omissions, irrespective of whether they have been done by correspondent banks, agents or sub-agents, their employees or workers.

The Applicant hereby agrees to follow the Banks procedure regarding stopping and cancellation of the payment.

The Bank responsibility will be definitely terminated as soon the remittance will be paid to the Beneficiary. In case of the remittances will be paid to the Beneficiary. In case of the remittances will be seized or collected from the Beneficiary under his indebtedness or bankruptcy or under any other causes, the Applicant will not make any demands against the Bank and/or its correspondents and the Bank its correspondents will not be responsible thereof.

If the Applicant needs to cancel the payment he has to send a notification letter on payment cancellation to the Bank with signature of the authorized manager and/or person who has a right of first signature. The sum, beneficiary, and value date of the payment order should be clearly indicated in the letter. In case when notification is send by tax (tacsimile telegraph) the Applicant need to get a delivery confirmation from the Bank.

#### УСЛОВИЯ ПЕРЕВОДА ВАЛЮТНЫХ СРЕДСТВ

АО Демир Казахстан Банк в городе Алматы, (в дальнейшем именуемый "Банк"), осуществляет перевод денежных средств согласно действующему валютному законодательству Республики Казахстан и в соответствии с условиями основного контракта (паслорта сделки), заключенного между Заявителем и Получателем (Бенефициаром) Выплата получателю переведенных средств подчиняется правилам и инструкциям страны, в которую был произведен данный платеж. Обязательства Банка касающиеся выплаты переведенных средств в любом случае не должны превышать сумму платежа. Банк, также его корреспонденты или агенты не будут нести ответственность за задержку или потерю платежа, связанные с любыми действиями или распоряженнями любых Правительств или правительственных структур или вследствие любых других причин. Банк будет производить свои обычные действия для перевода в соответствии с данным контрактом (паспортом сделки). Банк, действуя от имени заявителя, будет свободен в выборе и использовании любого банка корреспондента, агента или субагента. Банк или любой из его корреспондентов или агентов не будут нести ответственность за искажения, разночтения, пропуски в тексте платежного поручения, в реквизитах бенефициара. Банк может посылать любые сообщения, связанные с переводом, на определенном языке, коде или шифре. Банк не несет ответственности за ошибки или задержки, возникающие по причине электронной, телексной связи или по вине любых почтовых подразделений, телеграфных, телексных и электронных компаний, любых сотрудников таких компаний или по любой из причин, возникающей при передачи платежей по телексу или другому виду связи, или не передачи платежа вследствие причин, независящих от Банка и превышающих его контроль и полномочия. Банк не будет нести ответственность за любые ошибки, небрежности, неполноту инструкций или пропуски, независимо будут ли они произведены любым из его корреспондентов, субагентов или другими агентствами, их сотрудниками или работниками. Настоящим заявитель соглащается следовать процедурам Банка касательно платежей, их приостановки или отмены. Ответственность Банка будет завершена с момента выплаты суммы перевода Получателю. В случае наложения ареста на перевод или конфискации данного перевода у Получателя в связи с его неплатежеспособностью или банкротством или по другим причинам, Заявитель перевода не будет предъявлять любых требований против Банка и/или его корреспондентов и Банк и его корреспонденты не будут нести ответственность за это.

Если Заявитель принимает решение об отмене платежа, ему необходимо направить в банк письменное уведомление за подписью первого руководителя w/или лица, имеющего право первой подписи, с просьбой отменить платеж. В письме необходимо четко указать сумму, бенефициара и дату валютирования платежного поручения. В случае отправки письма посредством факсимильной связи необходимо получить подтверждение в Банке о получении письма.

