

**THE HORROR SECTION, INC.**  
**SUBSCRIPTION AGREEMENT**

THE SECURITIES ARE BEING OFFERED PURSUANT TO SECTION 4(A)(2) AND REGULATION D OF THE SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”) AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE OR ANY OTHER JURISDICTION. NO FEDERAL OR STATE SECURITIES ADMINISTRATOR HAS REVIEWED OR PASSED ON THE ACCURACY OR ADEQUACY OF THE OFFERING MATERIALS FOR THESE SECURITIES. THERE ARE SIGNIFICANT RESTRICTIONS ON THE TRANSFERABILITY OF THE SECURITIES DESCRIBED HEREIN AND NO RESALE MARKET MAY BE AVAILABLE AFTER RESTRICTIONS EXPIRE. THE PURCHASE OF THESE SECURITIES INVOLVES A HIGH DEGREE OF RISK AND SHOULD BE CONSIDERED ONLY BY PERSONS WHO CAN BEAR THE RISK OF THE LOSS OF THEIR ENTIRE INVESTMENT.

IF THE INVESTOR LIVES OUTSIDE THE UNITED STATES, IT IS THE INVESTOR’S RESPONSIBILITY TO FULLY OBSERVE THE LAWS OF ANY RELEVANT TERRITORY OR JURISDICTION OUTSIDE THE UNITED STATES IN CONNECTION WITH ANY SUBSCRIPTION OF THE SECURITIES, INCLUDING OBTAINING REQUIRED GOVERNMENTAL OR OTHER CONSENTS OR OBSERVING ANY OTHER REQUIRED LEGAL OR OTHER FORMALITIES. THE COMPANY RESERVES THE RIGHT TO DENY THE SUBSCRIPTION OF THE SECURITIES BY ANY FOREIGN SUBSCRIBER.

The Board of Directors of:

**THE HORROR SECTION, INC.**  
223 S. Beverly Drive, Suite A  
Beverly Hills, CA 90212

Ladies and Gentlemen:

The undersigned (the “**Investor**”) understands that The Horror Section, Inc., a Delaware corporation (the “**Company**”), is conducting an offering (the “**Offering**”) under Section 4(a)(2) of the Securities Act of 1933, as amended (the “**Securities Act**”) and Regulation D promulgated thereunder. The Investor has received and carefully read all the information contained in the Fourth Amended and Restated Private Placement Memorandum, as amended and supplemented from time to time, provided to Investor separately (the “**Offering Memorandum**”) and this Subscription Agreement (the “**Subscription Agreement**”), both of which are available on [www.republic.com/horrorsectionreg-d](http://www.republic.com/horrorsectionreg-d) (the “**Platform**”). The Company is offering to accredited investors up to 1,623,376 shares of its Common Stock, \$0.001 par value per share (“**Securities**”) at a price of \$3.08 per share (the “**Purchase Price**”). The minimum subscription amount per Investor is \$1,000 (“**Minimum Subscription Amount**”) and the maximum subscription amount per Investor is \$2,500,000 (“**Maximum Subscription Amount**”), each of which may be waived by the Company in its sole discretion. The minimum amount to be raised in the Offering is \$500,000 (the “**Minimum Offering Amount**”) and the maximum amount to be raised in the Offering is up to \$5,000,000 (the “**Maximum Offering Amount**”). If the Offering is oversubscribed beyond the Maximum Offering Amount, the Company will sell Securities in its sole discretion. The Company is offering the Securities to prospective investors through OpenDeal Broker LLC d/b/a the Capital R (“**ODB**”). ODB is a registered FINRA/SEC broker dealer.

The Company will pay ODB a cash commission as follows: five percent (5%) of the dollar value of the Securities issued to investors pursuant to the proceeds of the Offering at the time of Closing. In addition, the

Company will pay ODB a securities commission equivalent to two percent (2%) of the dollar value of the Securities issued to the investors in the Offering.

(1) Subscription; Custodian; Securities Entitlement; Proxy; Net Revenue Participation.

(a) Subscription. Subject to the terms of this Subscription Agreement and the Offering Memorandum, the Investor hereby subscribes to purchase the number of Securities equal to the quotient of the Investor's total subscription amount as indicated on the signature page hereto and/or through the Platform divided by the Purchase Price and shall pay the aggregate Purchase Price in the manner specified in the Offering Memorandum and as per the directions of ODB through the Platform. Such subscription shall be deemed to be accepted by the Company only when this Subscription Agreement is countersigned and delivered on the Company's behalf and subject to Section 2. The Offering will expire on the earlier to occur of: (i) the date on which the Maximum Offering Amount has been subscribed for and accepted by the Company and a final closing is conducted, or (ii) May 15, 2026, except the Company may extend or terminate the offering period to such date and time as determined in its sole and exclusive discretion (the "**Offering Period**") without notice. The Company reserves the right to reject any payments not made within the Offering Period.

(b) Custodian; Securities Entitlement. The Company and the Investor authorize BitGo Trust Company, Inc. and its successors and assigns (the "**Custodian**"), as the custodian for the benefit of the Investor, to hold the Securities in registered form in its name or the name of its nominees for the benefit of the Investor and the Investor's permitted assigns. The Investor acknowledges and agrees that upon any acceptance of this Subscription Agreement, the Company shall issue and deliver the Securities to the Custodian, who shall solely hold such securities for the benefit of the Investor and shall be a "protected purchaser" of such Securities within the meaning of Section 8-303 of the Delaware Uniform Commercial Code, which shall be in book entry uncertificated form, and that the Investor shall hold and acquire only a "securities entitlement" within the meaning of Section 8-501 of the Delaware Uniform Commercial Code in the Securities equal to the ratio of the Investor's purchase amount to the aggregate purchase amounts of the Securities in the Offering. Company and Investor acknowledge and agree that the Custodian may assign any and all of its agreements with Investor, delegate its duties thereunder, and transfer Investor's Securities to any of its affiliates or to its successors and assigns, whether by merger, consolidation, or otherwise, in each case, without the consent of the Investor or the Company. Investor acknowledges and agrees that Investor may not assign or transfer any of its rights or obligations under such agreements without the Custodian's prior written consent, and any attempted transfer or assignment in violation hereof shall be null and void.

(c) Irrevocable Proxy. Immediately prior to any issuance and delivery of the Securities to the Custodian, the undersigned hereby irrevocably appoints the Chief Executive Officer of the Company, as the sole and exclusive proxy of the undersigned, to the maximum extent permitted under the Delaware General Corporation Law, with full power of substitution and resubstitution and power to act alone, as the undersigned's proxy and attorney-in-fact, to vote and exercise any and all voting rights with respect of the Securities that now are or hereafter may be owned by the undersigned, whether directly or indirectly, including, for the avoidance of any doubt, as a holder of any securities entitlement if the Securities, by the undersigned and any and all other shares or securities of the Company issued or issuable in respect thereof on or after the date hereof (together, the "**Proxy Shares**"). The proxy identified above is hereby authorized and empowered by the undersigned to act as such undersigned's proxy to vote, and consent with respect to, the total number of Proxy Shares in respect of the undersigned at every annual and special meeting of the stockholders of the Company, including any postponement, recess or adjournment thereof, or in any other circumstance, however called, and to execute consents, approvals and waivers on any matter submitted to the undersigned or any other class of capital stock of the Company for written consent or written resolution, or to vote at a meeting of stockholders or to express consent or dissent to

corporate action in writing without a meeting (including, without limitation, the power to execute and deliver written consents pursuant to Section 228(a) of the Delaware General Corporation Law or as otherwise authorized thereunder). Any and all prior proxies given by the undersigned with respect to the Securities or the Proxy Shares are hereby revoked. The foregoing proxy is coupled with an interest and is irrevocable until, and the undersigned agrees not to grant any subsequent proxies with respect thereof that will become effective prior to, the tenth anniversary of the date this Subscription Agreement is accepted by the Company, upon which date this proxy shall terminate, but until such date, it shall remain in full force and effect, including, for the avoidance of any doubt, upon and after the issuance and delivery of the Securities to the Custodian.

(d) Net Revenue Participation. Each Investor shall be entitled to receive from the Company an amount equal to (1) such Investor's Participation Rate (defined below) multiplied by (2) ten percent (10%) of the Net Revenue (defined below) actually received by the Company on or before the fifth anniversary of June 22, 2025 or such later date as reasonably determined by the Company ("**Revenue Share Interest**").

(i) Payment. The Company shall make payment of any amounts due to the Investor under Section 1(d) on an annual basis within one hundred and twenty (120) days of the end of each preceding fiscal year. In order to receive such payments, Investor must create and provide the Company with a self-custodied Republic digital wallet ("**Republic Wallet**") address that will be used to receive such payments. The Investor recognizes that this mechanism is the sole and exclusive means to receive payment and that no payment can be distributed without the Investor's provision of a Republic Wallet address. Republic Wallet addresses can be created by following the relevant instructions on republic.com. The Company makes no representation that any Qualifying Production will generate any, or any particular amount of, Net Revenue.

(ii) Definitions.

(A) An Investor's "**Participation Rate**," rounded to the nearest millionths (*e.g.*, 0.012345 or, expressed as a percentage, 1.2345%), and determined as of any measuring date, is equal to the quotient of (x) the number of outstanding shares of the common stock of the Company then-held by the Investor divided by (y) the number of then-outstanding shares of the common stock of the Company (assuming the conversion of all securities convertible, exercisable and exchangeable into shares of common stock of the Company).

(B) A "**Qualifying Production**" means each feature-length motion picture financed or produced, in whole or in part, by the Company, as reasonably determined by the Company.

(C) "**Net Revenue**" shall be defined, computed, accounted for and paid in accordance with the standard definition of the applicable financier/distributor of each Qualifying Production applicable to the Company and on a most favored nations basis with the Company.

(e) Transferability.

(i) As used herein, "**Interest**" shall mean, collectively, the Securities and

Revenue Share Interest.

- (ii) Security Instruction Tokens. Within one hundred and eighty (180) days of the Initial Closing, the Investor may be able to receive one digital blockchain token (the “**Security Instruction Token**” or “**SIT**”) for each Interest to the Investor’s unique wallet address on the applicable blockchain. These SITs, if issued, will be tools to transfer ownership of the Interests. The Company has the right, but not the obligation, to mint and distribute to, or for the benefit of, the Investor one or more types of SITs on a blockchain network, which may serve as an administrative arrangement to the Interests or as a technological means of providing a transfer instruction to the Company or an entitlement order to a securities intermediary holding the Interests on behalf of others. The SITs, if issued, may embody certain rights, preferences, privileges, and restrictions of the respective Interests to which they relate or may provide the means to give such instructions or entitlement orders.
- (iii) If the Investor transfers Interests to another person by way of SITs or otherwise, then that person (“**New Holder**”) is deemed to be bound by the terms of this Subscription Agreement as an Investor for the period of time they hold such Interests, and the Investor irrevocably and unconditionally undertakes to ensure that each New Holder, prior to the transfer of Interests to them, expressly agrees to be bound by this Subscription Agreement as an Investor for the period of time they hold such Interests. By transferring any Interests, the Investor assigns all the Investor’s rights, title and interest under this Subscription Agreement to the recipient of those Interests or to the owner of the wallet to which the Investor transfers any SITs. The rights in the Revenue Share Interests are not severable from the Securities (and vice versa), and all right, title and interest in and to the Revenue Share Interests shall follow the Securities (and vice versa).
- (iv) SIT Ownership Treatment. Neither the Company nor any other person will be liable for treating the owner of the wallet in which any SIT is held (except as otherwise required by law or as ordered by a court of competent jurisdiction) as the owner of the Interest to which it is linked.
- (v) Written Notice. The Company agrees that, if any rule of law (including any legislation, rule of common law, rule of equity or customary law) requires written notice to effect the transfer of any Interests, such notice is deemed given as an electronic record by inclusion of the relevant transaction on the Platform or via transfer of an SIT on a block on the blockchain in accordance with clause 1(e)(iii) above.
- (vi) Voidability. Notwithstanding any other provision in this Section 1, the Company reserves the right to treat as void any transfer of Interests which the Company reasonably believes to be unlawful or fraudulent for any reason, including based on a transfer of SITs, which the Company reserves the right to reissue in such cases.

(2) Closing.

(a) Closing. Subject to Section 2(b), an initial closing of the sale and purchase of the Securities pursuant to this Subscription Agreement (“**Initial Closing**”) shall take place through the Platform upon the Company receiving subscriptions equal to the Minimum Offering Amount. Thereafter, the Company may hold one or more additional closings until the Company determines to cease having any additional closings during the Offering Period (each a “**Closing**”). The Company expects that its final Closing shall occur no later than May 15, 2026, except the Company may extend or terminate the Offering Period to such date and time as determined in its sole and exclusive discretion. All funds received will be immediately available to the Company and the Company shall not be required to place any funds in escrow for any purpose or subjection to any condition or occurrence.

(b) Closing Conditions. Closing is conditioned upon satisfaction of all the following conditions:

(i) at the time of the Initial Closing, the Company shall have received subscriptions for Securities having an aggregate investment amount of at least the Minimum Offering Amount;

(ii) the Investor shall have delivered to the Company an executed counterpart signature, which is attached hereto as Exhibit A, as a condition to the issuance of the Securities, agreeing to be bound as an “Stockholder” in accordance with Section 6.1 of that certain Stockholders Agreement dated January 29, 2025 (“**Stockholders Agreement**”), which is attached hereto as Exhibit B; and

(iii) the representations and warranties of the Company contained in Section 5 hereof and of the Investor contained in Section 4 hereof shall be true and correct as of the Closing in all respects with the same effect as though such representations and warranties had been made as of the Closing.

(3) Termination of the Offering; Other Offerings. The Investor understands that the Company may terminate the Offering at any time. The Investor further understands that during and following termination of the Offering, the Company may undertake offerings of other securities, which may or may not be on terms more favorable to an investor than the terms of this Offering.

(4) Investor’s Representations. The Investor represents and warrants to the Company and the Company’s agents as follows:

(a) The Investor understands and accepts that the purchase of the Securities involves various risks, including the risks outlined in the Offering Memorandum and in this Subscription Agreement. The Investor can bear the economic risk of this investment and can afford a complete loss thereof; the Investor has sufficient liquid assets to pay the full purchase price for the Securities; and the Investor has adequate means of providing for its current needs and possible contingencies and has no present need for liquidity of the Investor’s investment in the Company.

(b) The Investor acknowledges that at no time has it been expressly or implicitly represented, guaranteed or warranted to the Investor by the Company or any other person that a percentage of profit and/or amount or type of gain or other consideration will be realized because of the purchase of the Securities or otherwise about the success of the Company.

(c) The Investor (i) qualifies as an “accredited investor” as defined by Rule 501(a) promulgated under the Securities Act, (ii) has such knowledge and experience in financial and business matters that the Investor is capable of evaluating the merits and risks of the prospective investment (iii) has

truthfully submitted the required information to ODB to evidence these representations, and (iv) will promptly provide such additional information as may reasonably be required and requested by the Company for compliance with securities laws of the state in which the Investor is located. The Investor agrees and covenants that the Investor will maintain accurate and up-to-date contact information (including email and mailing address) on the Platform and will promptly update such information in the event it changes or is no longer accurate.

(d) The Investor has received and reviewed a copy of the Offering Memorandum. With respect to information provided by the Company, the Investor has relied solely on the information contained in the Offering Memorandum to make the decision to purchase the Securities and has had an opportunity to ask questions and receive answers about the Offering Memorandum, the Offering and the Investor's investment in the Securities.

(e) The Investor confirms that it is not relying and will not rely on any communication (written or oral) of the Company, ODB, or any of their respective affiliates, as investment advice or as a recommendation to purchase the Securities. It is understood that information and explanations related to the terms and conditions of the Securities provided in the Offering Memorandum or otherwise by the Company, ODB or any of their respective affiliates shall not be considered investment advice or a recommendation to purchase the Securities, and that neither the Company, ODB nor any of their respective affiliates is acting or has acted as an advisor to the Investor in deciding to invest in the Securities. The Investor acknowledges that neither the Company, ODB nor any of their respective affiliates have made any representation regarding the proper characterization of the Securities for purposes of determining the Investor's authority or suitability to invest in the Securities.

(f) The Investor is familiar with the business and financial condition and operations of the Company, including all as generally described in the Offering Memorandum. The Investor has had access to such information concerning the Company and the Securities as it deems necessary to enable it to make an informed investment decision concerning the purchase of the Securities.

(g) The Investor understands that, unless the Investor notifies the Company in writing to the contrary at or before the Closing, each of the Investor's representations and warranties contained in this Subscription Agreement will be deemed to have been reaffirmed and confirmed as of the Closing, taking into account all information received by the Investor.

(h) The Investor acknowledges that the Company has the right in its sole and absolute discretion to abandon this Offering at any time prior to the completion of the Offering. This Subscription Agreement shall thereafter have no force or effect and the Company shall return any previously paid subscription price of the Securities, without interest thereon, to the Investor.

(i) The Investor understands that no federal or state agency has passed upon the merits or risks of an investment in the Securities or made any finding or determination concerning the fairness or advisability of this investment.

(j) The Investor confirms that the Company has not (i) given any guarantee or representation as to the potential success, return, effect or benefit (either legal, regulatory, tax, financial, accounting or otherwise) of an investment in the Securities or (ii) made any representation to the Investor regarding the legality of an investment in the Securities under applicable legal investment or similar laws or regulations. In deciding to purchase the Securities, the Investor is not relying on the advice or recommendations of the Company and the Investor has made its own independent decision, alone or in consultation with its investment advisors, that the investment in the Securities is suitable and appropriate for the Investor.

(k) The Investor has such knowledge, skill and experience in business, financial and investment matters that the Investor is capable of evaluating the merits and risks of an investment in the Securities. With the assistance of the Investor's own professional advisors, to the extent that the Investor has deemed appropriate, the Investor has made its own legal, tax, accounting and financial evaluation of the merits and risks of an investment in the Securities and the consequences of this Subscription Agreement. The Investor has considered the suitability of the Securities as an investment in light of its own circumstances and financial condition and the Investor is able to bear the risks associated with an investment in the Securities and its authority to invest in the Securities.

(l) The Investor is acquiring the Securities solely for the Investor's own beneficial account, for investment purposes, and not with a view to, or for resale in connection with, any distribution of the Securities. The Investor understands that the Securities have not been registered under the Securities Act or any state securities laws by reason of specific exemptions under the provisions thereof which depend in part upon the investment intent of the Investor and of the other representations made by the Investor in this Subscription Agreement. The Investor understands that the Company is relying upon the representations and agreements contained in this Subscription Agreement (and any supplemental information provided by the Investor to the Company or ODB) for the purpose of determining whether this transaction meets the requirements for such exemptions. The Investor understands the Securities may not be resold unless registered under the Securities Act and applicable state securities laws or an exemption from such registration is available. The Company is and will be under no obligation to register the Securities under the Securities Act or any state securities laws.

(m) The Investor understands that the Securities are restricted from transfer for a period of time under applicable federal securities laws and that the Securities Act and the rules of the Securities and Exchange Commission ("SEC") provide in substance that the Investor may dispose of the Securities only pursuant to an effective registration statement under the Securities Act or an exemption therefrom, after which certain state restrictions may apply. The Investor understands that the Company has no obligation or intention to register any of the Securities, or to take action so as to permit sales pursuant to the Securities Act. Even if and when the Securities become freely transferable, a secondary market in the Securities may not develop. Consequently, the Investor understands that the Investor must bear the economic risks of the investment in the Securities for an indefinite period of time.

(n) The Investor agrees: (i) that the Investor will not sell, assign, pledge, give, transfer or otherwise dispose of the Securities or any interest therein or make any offer or attempt to do any of the foregoing, except pursuant to a registration of the Securities under the Securities Act and all applicable state securities laws, or in a transaction which is exempt from the registration provisions of the Securities Act and all applicable state securities laws; (ii) that the certificates representing the Securities will bear a legend making reference to the foregoing restrictions; and (iii) that the Company and its affiliates shall not be required to give effect to any purported transfer of such Securities except upon compliance with the foregoing restrictions. The Investor will not sell or otherwise transfer any of the Securities except in compliance with the provisions of all applicable securities laws and any other agreement to which the undersigned is bound with respect to the Company and/or the Securities. The Investor understands that (i) there are significant restrictions on the transfer of the Securities, and (ii) an investment in the Securities is and will be extremely illiquid.

(o) The Investor acknowledges and agrees that the Securities are "restricted securities" as defined in Rule 144 promulgated under the Securities Act as in effect from time to time and must be held indefinitely unless they are subsequently registered under the Securities Act or an exemption from such registration is available. The Investor is aware of the provisions of Rule 144, which permits limited resale of shares purchased in a private placement subject to the satisfaction of certain conditions,

including, among other things, for illustrative purposes only: the availability of certain current public information about the Company, the resale occurring following the required holding period under Rule 144 and the number of shares being sold during any three-month period not exceeding specified limitations.

(p) If the Investor is not a United States person (as defined by Section 7701(a)(30) of the Internal Revenue Code of 1986, as amended), the Investor hereby represents and warrants to the Company that it has satisfied itself as to the full observance of the laws of its jurisdiction in connection with any invitation to subscribe for the Securities or any use of this Subscription Agreement, including (i) the legal requirements within its jurisdiction for the purchase of the Securities, (ii) any foreign exchange restrictions applicable to such purchase, (iii) any governmental or other consents that may need to be obtained, and (iv) the income tax and other tax consequences, if any, that may be relevant to the purchase, holding, redemption, sale, or transfer of the Securities. The Investor's subscription and payment for and continued beneficial ownership of the Securities will not violate any applicable securities or other laws of the Investor's jurisdiction.

(q) The Investor has full legal capacity, power and authority to execute and deliver this instrument and to perform its obligations hereunder. This instrument constitutes a valid and binding obligation of the Investor, enforceable in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditors' rights generally and general principles of equity.

(r) The Investor has been advised that this instrument and the underlying securities have not been registered under the Securities Act or any state securities laws and are offered and sold hereby pursuant to Section 4(a)(2) of the Securities Act. The Investor understands that neither this instrument nor the underlying securities may be resold or otherwise transferred unless they are registered under the Securities Act and applicable state securities laws.

(s) The Investor understands that no public market now exists for any of the securities issued by the Company, and that the Company has made no assurances that a public market will ever exist for this instrument and the securities to be acquired by the Investor hereunder.

(t) The Investor is not (i) a citizen or resident of a geographic area in which the subscription of or holding of the Subscription Agreement and the underlying securities is prohibited by applicable law, decree, regulation, treaty, or administrative act, (ii) a citizen or resident of, or located in, a geographic area that is subject to U.S. or other applicable sanctions or embargoes, or (iii) an individual, or an individual employed by or associated with an entity, identified on the U.S. Department of Commerce's Denied Persons or Entity List, the U.S. Department of Treasury's Specially Designated Nationals List, the U.S. Department of State's Debarred Parties List or other applicable sanctions lists. The Investor hereby represents and agrees that if the Investor's country of residence or other circumstances change such that the above representations are no longer accurate, the Investor will immediately notify Company. The Investor further represents and warrants that it will not knowingly sell or otherwise transfer any interest in the Subscription Agreement or the underlying securities to a party subject to U.S. or other applicable sanctions.

(u) If the Investor is a corporate entity: (i) such corporate entity is duly incorporated, validly existing and in good standing under the laws of the state of its incorporation, and has the power and authority to enter into this Subscription Agreement; (ii) the execution, delivery and performance by the Investor of the Subscription Agreement is within the power of the Investor and has been duly authorized by all necessary actions on the part of the Investor; (iii) to the knowledge of the Investor, it is not in violation of its current charter or bylaws, any material statute, rule or regulation applicable to the Investor; and (iv) the performance of this Subscription Agreement does not and will not violate any material judgment, statute, rule or regulation applicable to the Investor; result in the acceleration of any material indenture or

contract to which the Investor is a party or by which it is bound, or otherwise result in the creation or imposition of any lien upon the Amount.

(v) **HIGH RISK INVESTMENT. THE INVESTOR UNDERSTANDS THAT AN INVESTMENT IN THE SECURITIES INVOLVES A HIGH DEGREE OF RISK.** The Investor acknowledges that (a) any projections, forecasts or estimates as may have been provided to the Investor are purely speculative and cannot be relied upon to indicate actual results that may be obtained through this investment; any such projections, forecasts and estimates are based upon assumptions which are subject to change and which are beyond the control of the Company or its management; (b) the tax effects which may be expected by this investment are not susceptible to absolute prediction, and new developments and rules of the Internal Revenue Service (the “IRS”), audit adjustment, court decisions or legislative changes may have an adverse effect on one or more of the tax consequences of this investment; and (c) the Investor has been advised to consult with his own advisor regarding legal matters and tax consequences involving this investment.

(w) Investor is solely responsible for implementing reasonable measures for securing any digital wallet, vault or other storage mechanism the Investor uses to receive and hold the SITs, including, without limitation, any requisite private key(s) or other credentials necessary to access the storage mechanism(s). If Investor’s private key(s) or other access credentials are lost, Investor may lose access to the SITs.

(5) **Company Representations.** The Investor understands that upon issuance to the Investor of any Securities, the Company will be deemed to have made the following representations and warranties to the Investor as of the date of such issuance:

(a) **Corporate Power.** The Company is a corporation duly incorporated, validly existing and in good standing under the laws of the state of its incorporation, and has the power and authority to own, lease and operate its properties and carry on its business as now conducted.

(b) **Enforceability.** This Subscription Agreement, when executed and delivered by the Company, shall constitute valid and legally binding obligations of the Company, enforceable against the Company in accordance with their respective terms except (a) as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, or other laws of general application relating to or affecting the enforcement of creditors’ rights generally, or (b) as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies.

(c) **Valid Issuance.** The Securities, when issued, sold and delivered in accordance with the terms and for the consideration set forth in this Subscription Agreement and the Offering Memorandum, will be validly issued, fully paid and nonassessable and free of restrictions on transfer other than restrictions on transfer arising under this Subscription Agreement, the Stockholders Agreement, the Certificate of Incorporation, as amended and/or restated from time to time, and Bylaws of the Company, or under applicable state and federal securities laws and liens or encumbrances created by or imposed by a subscriber.

(d) **Authorization.** The execution, delivery and performance by the Company of this instrument is within the power of the Company and, other than with respect to the actions to be taken when equity is to be issued hereunder, has been duly authorized by all necessary actions on the part of the Company. This instrument constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditors’ rights generally and general principles of equity. The Company is not in violation of (i) its current charter or bylaws; (ii) any material statute, rule or regulation applicable to the Company; or (iii) any material indenture or contract to which

the Company is a party or by which it is bound, where, in each case, such violation or default, individually, or together with all such violations or defaults, could reasonably be expected to have a material adverse effect on the Company or its operations.

(e) No Conflict. The execution, delivery and performance of and compliance with this Subscription Agreement and the issuance of the Securities will not result in any violation of, or conflict with, or constitute a default under, the Company's Certificate of Incorporation and Bylaws, each as amended, and will not result in any violation of, or conflict with, or constitute a default under, any agreements to which the Company is a party or by which it is bound, or any statute, rule or regulation, or any decree of any court or governmental agency or body having jurisdiction over the Company, except for such violations, conflicts, or defaults which would not individually or in the aggregate, have a material adverse effect on the business, assets, properties, financial condition or results of operations of the Company.

(f) Operation. The performance and consummation of the transactions contemplated by this instrument do not and will not: (i) violate any material judgment, statute, rule or regulation applicable to the Company; (ii) result in the acceleration of any material indenture or contract to which the Company is a party or by which it is bound; or (iii) result in the creation or imposition of any lien upon any property, asset or revenue of the Company or the suspension, forfeiture, or nonrenewal of any material permit, license or authorization applicable to the Company, its business or operations.

(g) Consents. No consents, waivers, registrations, qualifications or approvals are required in connection with the execution, delivery and performance of this Subscription Agreement and the transactions contemplated hereby, other than: (i) the Company's corporate, board and/or shareholder approvals which have been properly obtained, made or effected, as the case may be, and (ii) any qualifications or filings under applicable securities laws.

(6) Indemnification. The Investor acknowledges that the Company and the Custodian and each of their respective founders, officers, directors, employees, agents, and affiliates, are relying on the truth and accuracy of the foregoing representations and warranties in offering Securities for sale to the Investor without having first registered the issuance of the Securities under the Securities Act or the securities laws of any state. The Investor also understands the meaning and legal consequences of the representations and warranties in this Subscription Agreement, and the Investor agrees to indemnify and hold harmless the Company and the Custodian and each of their respective founders, officers, directors, employees, agents, and affiliates from and against any and all loss, damage or liability, including costs and expenses (including reasonable attorneys' fees), due to or arising out of a breach of any such representations or warranties or any failure, or alleged failure, to fulfill any covenants or agreements contained in this Subscription Agreement.

(7) Market Stand-Off and Power of Attorney.

(a) In connection with any IPO (as defined below), the Investor shall not directly or indirectly, without the prior written consent of the managing underwriter: (A) lend; offer; pledge; sell; contract to sell; sell any option or contract to purchase; purchase any option or contract to sell; grant any option, right, or warrant to purchase; or otherwise transfer or dispose of, directly or indirectly, any Securities or any securities convertible into or exercisable or exchangeable (directly or indirectly) for Capital Stock (whether such shares or any such securities are then issued hereunder or are thereafter acquired); or (B) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such securities; whether any such transaction described in clause (A) or (B) above is to be settled by delivery of Capital Stock or other securities, in cash, or otherwise. Such restriction (the "**Market Stand-Off**") shall be in effect for such period of time following the date of the final

prospectus for the offering as may be requested by the Company or such underwriter (the “**Lock-up Period**”). In no event, however, shall such period exceed two hundred seventy (270) days plus such additional period as may reasonably be requested by the Company or such underwriter to accommodate regulatory restrictions on (i) the publication or other distribution of research reports or (ii) analyst recommendations and opinions.

(b) The foregoing provisions will: (x) apply only to the IPO and will not apply to the sale of any shares to an underwriter pursuant to an underwriting agreement; (y) not apply to the transfer of any shares to any trust for the direct or indirect benefit of the Investor or the immediate family of the Investor, provided that the trustee of the trust agrees to be bound in writing by the restrictions set forth herein, and provided further that any such transfer will not involve a disposition for value; and (z) be applicable to the Investor only if all officers and directors of the Company are subject to the same restrictions and the Company uses commercially reasonable efforts to obtain a similar agreement from all stockholders individually owning more than 5% of the outstanding common stock or any securities convertible into or exercisable or exchangeable (directly or indirectly) for common stock. Notwithstanding anything herein to the contrary, the underwriters in connection with the IPO are intended third-party beneficiaries of these provisions will have the right, power and authority to enforce the provisions hereof as though they were a party hereto. The Investor further agrees to execute such agreements as may be reasonably requested by the underwriters in connection with the IPO that are consistent with the above or that are necessary to give further effect thereto.

(c) In order to enforce the foregoing covenant, the Company may impose stop transfer instructions with respect the Investor’s registrable securities of the Company (and the Company shares or securities of every other person subject to the foregoing restriction) until the end of the Lock-up Period. The Investor agrees that a legend reading substantially as follows will be placed on all certificates representing all of the Investor’s registrable securities of the Company:

THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO A LOCK-UP PERIOD BEGINNING ON THE EFFECTIVE DATE OF THE COMPANY’S REGISTRATION STATEMENT FILED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AS SET FORTH IN AN AGREEMENT BETWEEN THE COMPANY AND THE ORIGINAL HOLDER OF THESE SECURITIES, A COPY OF WHICH MAY BE OBTAINED AT THE COMPANY’S PRINCIPAL OFFICE. SUCH LOCK-UP PERIOD IS BINDING ON TRANSFEREES OF THESE SECURITIES.

(d) For consideration received and acknowledged, each Investor, in its capacity as a securityholder of the Company, hereby appoints the Chief Executive Officer and/or Chief Financial Officer of the Company to act as its true and lawful attorney with full power and authority on its behalf to execute and deliver all documents and instruments and take all other actions necessary in connection with the matters covered by this section and any lock-up agreement required to be executed pursuant to an underwriting agreement in connection with any initial public offering of Company. Such appointment shall be for the limited purposes set forth above.

(e) “**IPO**” means: (A) the completion of an underwritten initial public offering of Capital Stock by the Company pursuant to: (I) a final prospectus for which a receipt is issued by a securities commission of the United States or of a province of Canada, or (II) a registration statement which has been filed with the SEC and is declared effective to enable the sale of Capital Stock by the Company to the public, which in each case results in such equity securities being listed and posted for trading or quoted on

a recognized exchange; (B) the Company's initial listing of its Capital Stock (other than shares of Capital Stock not eligible for resale under Rule 144 under the Securities Act) on a national securities exchange by means of an effective registration statement on Form S-1 filed by the Company with the SEC that registers shares of existing capital stock of the Company for resale, as approved by the Company's board of directors, where such listing shall not be deemed to be an underwritten offering and shall not involve any underwriting services; or (C) the completion of a reverse merger or take-over whereby an entity (I) whose securities are listed and posted for trading or quoted on a recognized exchange, or (II) is a reporting Company in the United States or the equivalent in any foreign jurisdiction, acquires all of the issued and outstanding Capital Stock of the Company.

(f) **“Capital Stock”** means the capital stock of the Company, including, without limitation, common stock and preferred stock.

(8) Obligations Irrevocable. Following the Closing, the obligations of the Investor shall be irrevocable. The Company, the Custodian and ODB, and each of their respective affiliates and agents, are each hereby authorized and instructed to accept and execute any instructions in respect of the Securities given by the Investor in written or electronic form. The Custodian and ODB may rely conclusively upon and shall incur no liability in respect of any action taken upon any notice, consent, request, instructions or other instrument believed in good faith to be genuine or to be signed by properly authorized persons of the Investor.

(9) Legend. The certificates, book entry or other form of notation representing the Securities sold pursuant to this Subscription Agreement will be notated with a legend or designation, which communicates in some manner that the Securities were issued pursuant to Section 4(a)(2) of the Securities Act.

(10) Notices. All notices or other communications given or made hereunder shall be in writing and delivered to the Investor's email address provided to ODB or to the Company at the address set forth at the beginning of this Subscription Agreement, or such other place as the Investor, the Investor or the Company from time to time designate in writing in or through the Platform.

(11) Governing Law. Notwithstanding the place where this Subscription Agreement may be executed by any of the parties hereto, the parties expressly agree that all the terms and provisions hereof shall be construed in accordance with and governed by the laws of the Delaware without regard to the principles of conflicts of laws.

(12) Submission to Jurisdiction. With respect to any suit, action or proceeding relating to any offers, purchases or sales of the Securities by the Investor (**“Proceedings”**), the Investor irrevocably submits to the jurisdiction of the federal or state courts located at the location of the Company's principal place of business, which submission shall be exclusive unless none of such courts has lawful jurisdiction over such Proceedings.

(13) Entire Subscription Agreement. This Subscription Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and may be amended only by a writing executed by all parties.

(14) Waiver, Amendment. Any provision of this Subscription Agreement may be amended, waived or modified only upon the written consent of the majority of the holders of capital stock entitled to vote as outlined in the Company's Certificate of Incorporation, as amended (the **“Lead”**).

(15) Waiver of Jury Trial. THE INVESTOR IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY WITH RESPECT TO ANY LEGAL PROCEEDING ARISING OUT OF

## THE TRANSACTIONS CONTEMPLATED BY THIS SUBSCRIPTION AGREEMENT.

(16) Invalidity of Specific Provisions. If any provision of this Subscription Agreement is held to be illegal, invalid, or unenforceable under the present or future laws effective during the term of this Subscription Agreement, such provision shall be fully severable; this Subscription Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part of this Subscription Agreement, and the remaining provisions of this Subscription Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance from this Subscription Agreement.

(17) Titles and Subtitles. The titles of the sections and subsections of this Subscription Agreement are for convenience of reference only and are not to be considered in construing this Subscription Agreement.

(18) Counterparts. This Subscription Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

(19) Electronic Execution and Delivery. A digital reproduction, portable document format (“pdf”) or other reproduction of this Subscription Agreement may be executed by one or more parties hereto and delivered by such party by electronic signature (including signature via DocuSign or similar services), electronic mail or any similar electronic transmission device pursuant to which the signature of or on behalf of such party can be seen. Such execution and delivery shall be considered valid, binding and effective for all purposes.

(20) Binding Effect. The provisions of this Subscription Agreement shall be binding upon and accrue to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns.

(21) Survival. All representations, warranties and covenants contained in this Subscription Agreement shall survive (i) the acceptance of the subscription by the Company, (ii) changes in the transactions, documents and instruments described in the Offering Memorandum which are not material, or which are to the benefit of the Investor and (iii) the death or disability of the Investor.

(22) Notification of Changes. The Investor hereby covenants and agrees to notify the Company upon the occurrence of any event prior to the closing of the purchase of the Securities pursuant to this Subscription Agreement, which would cause any representation, warranty, or covenant of the Investor contained in this Subscription Agreement to be false or incorrect. The Investor agrees that, upon demand, it will promptly furnish any information, and execute and deliver such documents, as reasonably required by the Company and/or the Portal.

(23) Tokenization and Fractionalization. The Company has the right, but not the obligation, to mint and distribute to, or for the benefit of, the Investor one or more types of digital tokens (“Tokens”) on a blockchain network, which may serve as a digital representation of, securities entitlement or economic arrangement to, the Securities or as a technological means of providing a transfer instruction to the Company or an entitlement order to a securities intermediary holding the Securities or any securities convertible into or exercisable or exchangeable (directly or indirectly) for Capital Stock on behalf of others. Tokens, if issued, may embody certain rights, preferences, privileges, and restrictions of the respective Securities to which they relate or may provide the means to give such instructions or entitlement orders. All securities issued under this instrument, whether in the form of Tokens or otherwise, may be issued in

whole or fractional parts, in the Company's sole discretion.

**[End of Page]**

IN WITNESS WHEREOF, the parties have executed this Subscription Agreement as of \_\_\_\_\_.

**COMPANY:**

**THE HORROR SECTION, INC.**

By: \_\_\_\_\_  
Name: Jonathan Schnaars  
Title: Chief Executive Officer

**INVESTOR:**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Price per Security: \_\_\_\_\_  
Number of Securities Purchased: \_\_\_\_\_  
Total Subscription Amount: \_\_\_\_\_

The Investor is an “accredited investor” as that term is defined in Regulation D promulgated by the Securities and Exchange Commission under the Securities Act.

Please indicate Yes or No by checking the appropriate box:

Accredited

Not Accredited

**EXHIBIT A**  
**(Counterpart Signature to the  
Stockholders Agreement dated January 29, 2025)**

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

STOCKHOLDER:

By: \_\_\_\_\_  
Name:  
Title:

**EXHIBIT B**  
**(Stockholders Agreement dated January 29, 2025)**

## STOCKHOLDERS AGREEMENT

This STOCKHOLDERS AGREEMENT (this “**Agreement**”) is made as of January 29, 2025, by and among THE HORROR SECTION, Inc., a Delaware corporation (the “**Company**”), and the stockholders party hereto (the “**Stockholders**”).

### RECITALS

**WHEREAS**, the parties desire to enter into this Agreement to set forth their agreements and understandings with respect to certain matters relating to their ownership of capital stock of the Company, including how shares of the capital stock of the Company held by them will be voted in connection with the election of directors of the Company, certain matters requiring stockholder approval, and the issuance of new shares of capital stock by the Company.

**NOW, THEREFORE**, the parties agree as follows:

1. Voting Provisions Regarding the Board.

1.1 Definitions. For purposes of this Agreement:

(a) “**Affiliate**” means, with respect to any specified Person, any other Person who, directly or indirectly, controls, is controlled by, or is under common control with such Person, including, without limitation, any general partner, managing member, officer, director or trustee of such Person, or any venture capital fund or other investment fund now or hereafter existing that is controlled by one or more general partners, managing members or investment advisers of, or shares the same management company or investment adviser with, such Person.

(b) “**Board**” means the members of the board of directors of the Company.

(c) “**Common Stock**” means the Company’s stock, \$.001 par value per share.

(d) “**New Securities**” means, collectively, equity securities of the Company, whether or not currently authorized, as well as rights, options, or warrants to purchase such equity securities, or securities of any type whatsoever that are, or may become, convertible or exchangeable into or exercisable for such equity securities.

(e) “**Person**” means any individual, corporation, partnership, trust, limited liability company, association, or other entity.

(f) “**Shares**” shall mean and include any securities of the Company that the holders of which are entitled to vote for members of the Board, including, without limitation, all shares of Common Stock, by whatever name called, now owned or subsequently acquired by a Stockholder, however acquired, whether through stock splits, stock dividends, reclassifications, recapitalizations, similar events or otherwise.

(g) Any reference in this Agreement to “**vote**” or “**voting**” or similar language shall include, without limitation, action by written consent of the stockholders.

1.2 Board Composition. For a period of three (3) years following the date hereof, each Stockholder agrees to vote, or cause to be voted, all Shares owned by such Stockholder, or over which such Stockholder has voting control, from time to time and at all times, in whatever manner as shall be necessary to ensure that at each annual or special meeting of stockholders at which an election of directors is held or

pursuant to any written consent of the stockholders, in favor of such person who may be designated by MCT Entertainment Labs LLC (“MCT”).

1.3 Failure to Designate a Director Candidate; Vacancies. In the absence of any designation from the Person with the right to designate a director as specified above, the individual then serving in such director position shall be reelected if willing to serve unless such individual has been removed as provided herein, and otherwise such Board seat shall remain vacant until filled as provided above. Similarly, in the absence of the requisite approval of the Board and/or the Company’s stockholders, as applicable, of an individual to serve as a director as specified above, the individual then serving in such director position shall be reelected if willing to serve unless such individual has been removed as provided herein, and otherwise such Board seat shall remain vacant until filled as provided above. Any vacancies created by the resignation, removal or death of a director elected pursuant to Section 1.2 shall be filled only pursuant to the provisions of this Section 1.3.

1.4 Removal of Board Members. Each Stockholder also agrees to vote, or cause to be voted, all Shares owned by such Stockholder, or over which such Stockholder has voting control, from time to time and at all times, in whatever manner as shall be necessary to ensure that:

(a) a director elected or serving pursuant to Section 1.2, or reelected pursuant to Section 1.3, shall be promptly removed from office upon the occurrence of written request of any Person who would be entitled to designate a replacement for such director pursuant to Section 1.2 to remove such director; and

(b) no director elected or serving pursuant to Section 1.2, or reelected pursuant to Section 1.3, may be removed from office other than for cause unless such removal is made in accordance with Section 1.4(a).

1.5 Stockholder Action. All Stockholders agree to execute any written consents required to perform the obligations of this Section 1, and the Company agrees to call a special meeting of stockholders for the purpose of electing, removing or replacing directors upon the written request of any Person entitled to designate a director. To the extent that the stockholders of the Company are entitled to cumulative voting, if less than the entire Board is to be removed, no director may be removed without cause if the votes cast against removal would be sufficient to elect such director if then cumulatively voted at an election of the entire Board.

1.6 No Liability for Election of Designated or Approved Directors. No Stockholder, nor any Affiliate of any Stockholder, shall have any liability as a result of designating or approving a person for election as a director for any act or omission by such designated or approved person in such person’s capacity as a director of the Company, nor shall any Stockholder have any liability as a result of voting for any such designee in accordance with the provisions of this Agreement.

1.7 Directors’ and Officers’ Insurance Policy. No later than thirty (30) days following the date hereof, the Company shall obtain, from one or more financially sound and reputable insurers, directors’ and officers’ liability insurance in an amount and on terms and conditions approved by MCT, and the Company will use commercially reasonable efforts to cause such insurance policies to be maintained until such time as the Board, including the written approval of MCT, determines that such insurance should be discontinued. No such policy shall be cancelable by the Company without prior written approval by MCT.

1.8 Management Incentive Plan. Each Stockholder agrees to vote, or cause to be voted, all Shares owned by such Stockholder, or over which such Stockholder has voting control, from time to time and at all times, in whatever manner as shall be necessary to the extent required to cause to be issued up to

400,000 shares to be used for the alignment and incentivization of Company management as recommended by the Board.

2. MCT Approval Rights. Notwithstanding anything in this Agreement, the Bylaws, the Certificate of Incorporation of the Company, as amended, or any other governing documents of the Company, neither the Company, nor Eli Roth (“**Roth**”), nor Double A Projects LLC (“**Schnaars**”) will, and will not permit any successor to, enter into any commitment to, will not take any steps in furtherance of and neither the Board nor any director nor officer will authorize the Company or any successor, directly or indirectly, to do any of the following, without the prior written approval of MCT:

2.1 enter into any agreement, arrangement, transaction, or understanding or series of related agreements, arrangements, transactions, or understandings between (x) the Company or any of its subsidiaries and (y) any stockholder, director or officer of the Company or any of its subsidiaries or any of their affiliates;

2.2 approve the annual capital and operating budgets of the Company and its subsidiaries (not including project-specific budgets) for fiscal years 2025, 2026 and 2027, or cause or permit the Company and its subsidiaries to operate other than in accordance with a budget that has been approved in accordance with this Section 2.2; or

2.3 change the rights, preferences or privileges held by MCT in the Company, whether by contract, amendment to the Company’s Certificate of Incorporation, Bylaws or otherwise, in a manner that that is disproportionately adverse to MCT relative to the rights of Roth or Schnaars or otherwise effect any transaction that disproportionately benefits Roth or Schnaars relative to MCT.

3. Right of First Offer. Subject to the terms and conditions of this Section 3 and applicable securities laws, if the Company proposes to offer or sell any New Securities, the Company shall first offer such New Securities to MCT, Roth and Schnaars (together, the “**Major Stockholders**”). Each of the Major Stockholders shall be entitled to apportion the right of first offer hereby granted to it in such proportions as it deems appropriate, among itself and its Affiliates; provided that each such Affiliate agrees to enter into this Agreement, as amended, and any other governing document of the Company reasonably requested by the Board.

3.1 The Company shall give notice (the “**Offer Notice**”) to the Major Stockholders, stating (i) its bona fide intention to offer such New Securities, (ii) the number of such New Securities to be offered, and (iii) the price and terms, if any, upon which it proposes to offer such New Securities.

3.2 By notification to the Company within twenty (20) days after the Offer Notice is given, the Major Stockholders (or their respective Affiliates) may elect to purchase or otherwise acquire, at the price and on the terms specified in the Offer Notice, up to that portion of such New Securities which equals the proportion that the Shares then held by such Major Stockholder (including all Shares then issuable upon conversion and/or exercise, as applicable, of any preferred stock and any other derivative securities then held by such Major Stockholder) bears to the total Shares of the Company then outstanding (assuming full conversion and/or exercise, as applicable, of any preferred stock and any other derivative securities then outstanding). The closing of any sale pursuant to this Section 3.2 shall occur within the later of ninety (90) days of the date that the Offer Notice is given and the date of initial sale of New Securities pursuant to Section 3.3.

3.3 If all New Securities referred to in the Offer Notice are not elected to be purchased or acquired as provided in Section 3.2, the Company may, during the ninety (90) day period following the expiration of the periods provided in Section 3.2, offer and sell the remaining unsubscribed portion of such New Securities to any Person or Persons at a price not less than, and upon terms no more favorable to the

offeree than, those specified in the Offer Notice. If the Company does not enter into an agreement for the sale of the New Securities within such period, or if such agreement is not consummated within thirty (30) days of the execution thereof, the right provided hereunder shall be deemed to be revived and such New Securities shall not be offered unless first reoffered to the Major Stockholders in accordance with this Section 3.

3.4 The right of first offer in this Section 3 shall not be applicable to issuances of New Securities to employees of the Company without consideration.

#### 4. Remedies.

4.1 Irrevocable Proxy and Power of Attorney. Each party to this Agreement hereby constitutes and appoints as the proxies of the party and hereby grants a power of attorney to the President of the Company (the “**Proxyholder**”), with full power of substitution, with respect to the matters set forth herein, including, without limitation, votes regarding the composition of the Board, and hereby authorizes each of them to represent and vote, if and only if the party (i) fails to vote within five (5) business days after request by the Company or (ii) attempts to vote (whether by proxy, in person or by written consent), in a manner which is inconsistent with the terms of this Agreement, all of such party’s Shares in favor of the election or removal of persons as members of the Board determined pursuant to and in accordance with the terms and provisions of this Agreement or to take any action reasonably necessary to effect this Agreement. The power of attorney granted hereunder shall authorize each Proxyholder to execute and deliver any documentation required by this Agreement on behalf of any party failing to do so within five business days after request by the Company. Each of the proxy and power of attorney granted pursuant to this Section 4.1 is given in consideration of the agreements and covenants of the Company and the parties in connection with the transactions contemplated by this Agreement and, as such, each is coupled with an interest and shall be irrevocable unless and until this Agreement terminates or expires pursuant to Section 45 hereof. Each party hereto hereby revokes any and all previous proxies or powers of attorney with respect to the Shares and shall not hereafter, unless and until this Agreement terminates or expires pursuant to Section 45 hereof, purport to grant any other proxy or power of attorney with respect to any of the Shares, deposit any of the Shares into a voting trust or enter into any agreement (other than this Agreement), arrangement or understanding with any person, directly or indirectly, to vote, grant any proxy or give instructions with respect to the voting of any of the Shares, in each case, with respect to any of the matters set forth herein.

4.2 Specific Enforcement. Each party acknowledges and agrees that each party hereto will be irreparably damaged in the event any of the provisions of this Agreement are not performed by the parties in accordance with their specific terms or are otherwise breached. Accordingly, it is agreed that each of the Company and the Stockholders shall be entitled to an injunction to prevent breaches of this Agreement, and to specific enforcement of this Agreement and its terms and provisions in any action instituted in any court of the United States or any state having subject matter jurisdiction. Each party to this Agreement agrees to use commercially reasonable efforts to cooperate in seeking and agreeing to an expedited schedule in any litigation seeking an injunction or order of specific performance.

4.3 Remedies Cumulative. All remedies, either under this Agreement or by law or otherwise afforded to any party, shall be cumulative and not alternative.

5. Term. This Agreement shall be effective as of the date hereof and shall continue in effect until and shall terminate upon the earliest to occur of (a) the consummation of the Company’s first underwritten public offering of its Common Stock (other than a registration statement relating either to the sale of securities to employees of the Company pursuant to its stock option, stock purchase or similar plan or an SEC Rule 145 transaction) and (b) termination of this Agreement in accordance with Section 6.8 below.

#### 6. Miscellaneous.

6.1 Additional Parties. Notwithstanding anything to the contrary contained herein, if the Company issues additional shares of Common Stock after the date hereof, as a condition to the issuance of such shares the Company shall require that any purchaser of such shares become a party to this Agreement by executing and delivering a counterpart signature page to this Agreement agreeing to be bound by and subject to the terms of this Agreement as a Stockholder hereunder. Each such Person shall thereafter be deemed a Stockholder for all purposes under this Agreement. The Company shall amend Schedule A to include such purchaser as a Stockholder, but failure to update Schedule A shall not negate such Stockholder's rights and obligations pursuant to this Agreement.

6.2 Transfers. Each transferee or assignee of any Shares subject to this Agreement shall continue to be subject to the terms hereof, and, as a condition precedent to the Company's recognition of such transfer, each transferee or assignee shall agree in writing to be subject to each of the terms of this Agreement by executing and delivering a counterpart signature page in this Agreement, agreeing to be bound by and subject to the terms of this Agreement in the same capacity as the transferor. Upon the execution and delivery of a counterpart signature page to this Agreement by any transferee, such transferee shall be deemed to be a party hereto as if such transferee were the transferor and such transferee's signature appeared on the signature pages of this Agreement and shall be deemed to be a Stockholder, as applicable. The Company shall not permit the transfer of the Shares subject to this Agreement on its books or issue a new certificate representing any such Shares unless and until such transferee shall have complied with the terms of this Section 6.2. Each certificate instrument, or book entry representing the Shares subject to this Agreement if issued on or after the date of this Agreement shall be notated by the Company with the legend set forth in Section 6.12. The Company shall amend Schedule A to include such transferee as a Stockholder, as applicable, but the Company's failure to update Schedule A to this Agreement shall not negate such Stockholder's rights and obligations pursuant to this Agreement.

6.3 Successors and Assigns. The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and assigns any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

6.4 Governing Law. This Agreement shall be governed by the internal law of the State of Delaware without regard to conflict of law principles that would result in the application of any law other than the law of the State of Delaware.

6.5 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via electronic mail (including pdf or any electronic signature complying with the U.S. E-SIGN Act of 2000, *e.g.*, [www.docusign.com](http://www.docusign.com)) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

6.6 Titles and Subtitles. The titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

6.7 Notices.

(a) General. All notices and other communications given or made pursuant to this Agreement shall be in writing (including electronic mail as permitted in this Agreement) and shall be deemed effectively given upon the earlier of actual receipt or (i) personal delivery to the party to be notified, (ii) when sent, if sent by electronic mail during normal business hours of the recipient, and if not sent during normal business hours, then on the recipient's next business day, (iii) five days after having been sent by

registered or certified mail, return receipt requested, postage prepaid, or (iv) one business day after the business day of deposit with a nationally recognized overnight courier, freight prepaid, specifying next business day delivery, with written verification of receipt. All communications shall be sent to the respective parties at their address as set forth in Schedule A to this Agreement, or (as to the Company) to the principal office of the Company and to the attention of the Chief Executive Officer, or, in any case, to such electronic mail address or address as subsequently modified by written notice given in accordance with this Section 6.7. If notice is given to the Company, a copy (which copy shall not constitute notice) shall also be sent to the counsel's address listed in Schedule A.

(b) Consent to Electronic Notice. Each Stockholder consents to the delivery of any stockholder notice pursuant to the Delaware General Corporation Law (the "DGCL"), as amended or superseded from time to time, by electronic mail pursuant to Section 232 of the DGCL (or any successor thereto) at the electronic mail address set forth below such Stockholder's name on the Schedule A hereto, as updated from time to time by notice to the Company, or as on the books of the Company. To the extent that any notice given by means of electronic mail is returned or undeliverable for any reason, the foregoing consent shall be deemed to have been revoked until a new or corrected electronic mail address has been provided, and such attempted electronic notice shall be ineffective and deemed to not have been given. Each Stockholder agrees to promptly notify the Company of any change in its electronic mail address, and that failure to do so shall not affect the foregoing.

6.8 Consent Required to Amend, Modify, Terminate or Waive. This Agreement may be amended, modified or terminated (other than pursuant to Section 6) and the observance of any term hereof may be waived (either generally or in a particular instance and either retroactively or prospectively) only by a written instrument executed by Roth, Schnaars and MCT. Notwithstanding the foregoing:

(a) Schedule A to this Agreement may be amended by the Company from time to time in accordance with Sections 6.1 and 6.2 without the consent of the other parties hereto; and

(b) any provision hereof may be waived by the waiving party on such party's own behalf, without the consent of any other party.

The Company shall give prompt written notice of any amendment, modification, termination, or waiver hereunder to any party that did not consent in writing thereto. Any amendment, modification, termination, or waiver effected in accordance with this Section 6.8 shall be binding on each party and all of such party's successors and permitted assigns, whether or not any such party, successor or assignee entered into or approved such amendment, modification, termination or waiver. For purposes of this Section 6.8, the requirement of a written instrument may be satisfied in the form of an action by written consent of the Stockholders circulated by the Company and executed by the Stockholder parties specified, whether or not such action by written consent makes explicit reference to the terms of this Agreement.

6.9 Delays or Omissions. No delay or omission to exercise any right, power or remedy accruing to any party under this Agreement, upon any breach or default of any other party under this Agreement, shall impair any such right, power or remedy of such non-breaching or non-defaulting party nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of or in any similar breach or default thereafter occurring; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default previously or thereafter occurring. Any waiver, permit, consent or approval of any kind or character on the part of any party of any breach or default under this Agreement, or any waiver on the part of any party of any provisions or conditions of this Agreement, must be in writing and shall be effective only to the extent specifically set forth in such writing. All remedies, either under this Agreement or by law or otherwise afforded to any party, shall be cumulative and not alternative.

6.10 Severability. The invalidity or unenforceability of any provision hereof shall in no way affect the validity or enforceability of any other provision.

6.11 Entire Agreement. This Agreement (including the Exhibits and Schedule hereto) constitutes the full and entire understanding and agreement among the parties with respect to the subject matter hereof, and any other written or oral agreement relating to the subject matter hereof existing between or among any of the parties are expressly canceled.

6.12 Share Certificate Legend. Each certificate, instrument, or book entry representing any Shares issued after the date hereof shall be notated by the Company with a legend reading substantially as follows:

“THE SHARES REPRESENTED HEREBY ARE SUBJECT TO A STOCKHOLDERS AGREEMENT, AS MAY BE AMENDED FROM TIME TO TIME (A COPY OF WHICH MAY BE OBTAINED UPON WRITTEN REQUEST FROM THE COMPANY), AND BY ACCEPTING ANY INTEREST IN SUCH SHARES THE PERSON ACCEPTING SUCH INTEREST SHALL BE DEEMED TO AGREE TO AND SHALL BECOME BOUND BY ALL THE PROVISIONS OF THAT STOCKHOLDERS AGREEMENT, INCLUDING CERTAIN RESTRICTIONS ON TRANSFER AND OWNERSHIP SET FORTH THEREIN.”

The Company, by its execution of this Agreement, agrees that it will cause the certificates, instruments, or book entry evidencing the Shares issued after the date hereof to be notated with the legend required by this Section 6.12 of this Agreement, and it shall supply, free of charge, a copy of this Agreement to any holder of such Shares upon written request from such holder to the Company at its principal office. The parties to this Agreement do hereby agree that the failure to cause the certificates, instruments, or book entry evidencing the Shares to be notated with the legend required by this Section 6.12 herein and/or the failure of the Company to supply, free of charge, a copy of this Agreement as provided hereunder shall not affect the validity or enforcement of this Agreement.

6.13 Stock Splits, Dividends and Recapitalizations. In the event of any issuance of Shares or the voting securities of the Company hereafter to any of the Stockholders (including, without limitation, in connection with any stock split, stock dividend, recapitalization, reorganization, or the like), such Shares shall become subject to this Agreement and shall be notated with the legend set forth in Section 6.12.

6.14 Manner of Voting. The voting of Shares pursuant to this Agreement may be effected in person, by proxy, by written consent or in any other manner permitted by applicable law. For the avoidance of doubt, voting of the Shares pursuant to the Agreement need not make explicit reference to the terms of this Agreement.

6.15 Further Assurances. At any time or from time to time after the date hereof, the parties agree to cooperate with each other, and at the request of any other party, to execute and deliver any further instruments or documents and to take all such further action as the other party may reasonably request in order to carry out the intent of the parties hereunder.

6.16 Dispute Resolution.

Any unresolved controversy or claim arising out of or relating to this Agreement, except as (i) otherwise provided in this Agreement, or (ii) any such controversies or claims arising out of either party's intellectual property rights for which a provisional remedy or equitable relief is sought, shall be submitted to arbitration by one arbitrator mutually agreed upon by the parties, and if no agreement can be reached within 30 days after names of potential arbitrators have been proposed by Judicial Arbitration and

Mediation Services, Inc. (“JAMS”), then by one arbitrator having reasonable experience in corporate finance transactions of the type provided for in this Agreement and who is chosen by JAMS. The arbitration shall take place in Los Angeles, California in accordance with the JAMS rules then in effect, and judgment upon any award rendered in such arbitration will be binding and may be entered in any court having jurisdiction thereof. There shall be limited discovery prior to the arbitration hearing as follows: (a) exchange of witness lists and copies of documentary evidence and documents relating to the issues to be arbitrated, (b) depositions of all party witnesses, and (c) such other depositions as may be allowed by the arbitrators upon a showing of good cause. Depositions shall be conducted in accordance with the Rules of Civil Procedure for the Superior Court of the State of Delaware, the arbitrator shall be required to provide in writing to the parties the basis for the award or order of such arbitrator, and a court reporter shall record all hearings, with such record constituting the official transcript of such proceedings.

Each of the parties to this Agreement consents to personal jurisdiction for any equitable action sought in the U.S. District Court for the District of Delaware or any court of the State of Delaware having subject matter jurisdiction.

WAIVER OF JURY TRIAL: EACH PARTY HEREBY WAIVES ITS RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT, THE OTHER TRANSACTION AGREEMENTS, THE SECURITIES OR THE SUBJECT MATTER HEREOF OR THEREOF. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING, WITHOUT LIMITATION, CONTRACT CLAIMS, TORT CLAIMS (INCLUDING NEGLIGENCE), BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. THIS SECTION HAS BEEN FULLY DISCUSSED BY EACH OF THE PARTIES HERETO AND THESE PROVISIONS WILL NOT BE SUBJECT TO ANY EXCEPTIONS. EACH PARTY HERETO HEREBY FURTHER WARRANTS AND REPRESENTS THAT SUCH PARTY HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT SUCH PARTY KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

6.17 Costs of Enforcement. Each party will bear its own costs in respect of any disputes arising under this Agreement. The prevailing party shall be entitled to reasonable attorney’s fees, costs, and necessary disbursements in addition to any other relief to which such party may be entitled.


6.18 Aggregation of Stock. All Shares held or acquired by a Stockholder and/or its Affiliates shall be aggregated together for the purpose of determining the availability of any rights under this Agreement, and such Affiliates may apportion such rights as among themselves in any manner they deem appropriate.

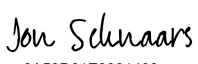
*[Signature Pages Follow]*

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

**COMPANY:**


**THE HORROR SECTION, INC.**

Signed by:  
By:   
Name: Eli Roth  
Title: Director

Signed by:  
By:   
Name: Jon Schnaars  
Title: Director

**STOCKHOLDERS:**

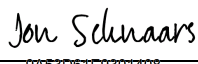
**MCT ENTERTAINMENT LABS LLC**

Signed by:  
By:   
Name: K. Blaine Johnston  
Title: Chief Operating Officer

**ELI ROTH**

Signed by:  
By:   
Name: Eli Roth

**DOUBLE A PROJECTS LLC**

Signed by:  
By:   
Name: Jon Schnaars  
Title: Sole Member

**SCHEDULE A**

**STOCKHOLDERS**

**Eli Roth**

16030 Ventura Blvd.  
#380  
Encino, CA 91436  
[er@eliroth.com](mailto:er@eliroth.com)

With a copy to:

Carlos Goodman  
9665 Wilshire Blvd  
5<sup>th</sup> Floor  
Beverly Hills, 90212

**Double A Projects LLC**

50 East 96<sup>th</sup> Street  
Apt 2B  
New York, NY 10128  
[Jon@2aprojects.com](mailto:Jon@2aprojects.com)

With a copy to:

Ed Klaris  
161 Water Street  
Suite 904  
New York, NY 10038

**MCT Entertainment Labs LLC**

855 N. Croft Ave., #210  
Los Angeles, CA 90069  
[blaine.johnston@mediacap.io](mailto:blaine.johnston@mediacap.io)

With a copy to:

Willkie Farr & Gallagher LLP  
2029 Century Park East, Suite 2900  
Los Angeles, California 90067  
Attention: Andrew Kramer, Esq. and Steve Hurdle, Esq.  
Email: [akramer@willkie.com](mailto:akramer@willkie.com) and [shurdle@willkie.com](mailto:shurdle@willkie.com)