THE PRODUCER’S HANDBOOK
A Practical Guide for Indie Filmmakers

by

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INTRODUCTION and personal note from the author…

The following handbook has been created to clarify and expedite the process of bringing a project from script to screen. It is an ‘A to Z’ guide to producing, created from hands-on experience and designed to anticipate challenges and avert potential pitfalls. Like the system it lays out, it is a handbook that should evolve as the challenges that face you and the rest of the entertainment industry evolve.

My name is Randy Becker. I founded NexTV Entertainment (along with its Web Series and Short Film Competition – www.netventertainment.com) in order to be on the crest of the new wave of content development and production in the entertainment industry. There was a time when a great script or even a great idea alone could easily result in a sale at the studio and network level. Times have changed. Studios and networks no longer want to pay huge sums of money to develop ideas, create pilots and generally do all of the necessary ‘product development’ internally, only to see most of the investment never pay off. With the technological advances in today’s world of filmmaking, it has become viable for buyers to lay off most of their initial development costs on pro-active, cutting-edge filmmakers like YOU. It’s a lot cheaper to search the internet for content, see an idea already on its feet, get a sense of audiences’ reactions and THEN make the decision to acquire the idea.

Where does that leave you? YOU MUST CREATE YOUR OWN WORK IN ORDER TO HAVE A CHANCE TO PENETRATE TODAY’S MARKETPLACE. And this work must really stick out of the YouTube crowd. Anyone can go to Best Buy, purchase a camera, then point and shoot. You must be able to create professional content that leaves little for the buyer to imagine, in terms of production value.

This handbook is designed to be a guide for filmmakers who want to do this right.

WHO AM I?

As I said, my name is Randy Becker. I spent the first 15 years of my career in the entertainment industry as a professional actor, starring on Broadway, television and in feature films (indie and studio films).

In 2000, I formed Louder Films, an independent production company geared specifically towards fostering "avant garde" films and theater. We produced the critically acclaimed and sold-out run of Tennessee Williams’ lost classic, TIGER TAIL, on 42nd Street in New York City (NYC Premiere), then the short film, EZEKIEL (Cannes Film Festival), inspired by the Marc Caro and Jean-Pierre Jenut classic, DELICATESSEN. Having won the Cinematographer’s Guild Award, we arrived at the Cannes Film Festival to screen my film for crowds of audiences and buyers alike. I’m sure many of you can relate to that feeling of arriving at a film festival, suitcase bursting with copies of your film, home-made posters of all shapes and sizes, DVD covers, business cards, sales pitches…and a single pair of ‘businessy’ pants. I made the trip to Southern France to SELL this little
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film and to raise money for the grander, yet equally unusual feature film that EZEKIEL was originally made in order to promote …

What I quickly realized was that…NOBODY CARED. They didn’t care that it was pretty, they didn’t care that it was clever, they didn’t care that it may have been brilliant, and they certainly didn’t care that I had spent every penny I had earned as an actor (and more) on this little film. In the end, we only went $52,500 over budget. (considering that I had allocated $7,500 to make it, I put it in the ‘film school’ column). Nobody cared about my beautiful little film starring me.

In fact, I couldn’t get a single meeting at the film market until I began lying about the fact that Patricia Arquette was attached to the full-length feature (I had given a friend of a friend of hers a copy of the feature script to pass off to her, so I wasn’t ENTIRELY making it all up).

I returned home with nothing but a shaved head to show for it (the alcohol at Cannes, at least, worked well…I was young).

Time for a brand new game plan. I had learned that content was much less important than packaging. Over the course of those few days dealing with buyers from around the world, I could see when eyes would glaze over and the rare times when a spark was lit. Packaging was key. Everyone was thinking about how THEY would sell a product like yours…and if there was not an immediate and very lucrative answer to that, they IMMEDIATELY moved on. I realized that no one was going to put a penny into a film of mine without an empirical sense that it had inherent value. I could sell the attributes of the project all day long, if I couldn’t demonstrate that a dollar sign was at the end of the road, I was wasting my breath. A good script, a great idea, even a brilliant little movie were only pieces of the puzzle.

THERE ARE THREE KINDS OF PROFESSIONALS IN THE ENTERTAINMENT INDUSTRY:
1. Talent
2. Money
and
3. People who connect the two.

I had access to talent, I needed someone with access to high-level executives/buyers, and I needed someone to help unlock what seemed to be the mysteries of the entertainment BUSINESS.

Within a few months I had partnered with a former acting manager of mine to form Acuna Entertainment. We stayed partners for 6 years, building a solid business and, hopefully, a reputation for good taste.

AE was (and is) essentially two companies; a literary management company and a film/tv production company with the shared mission of transitioning writers to
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filmmakers. Producing select client-originated material, we gave our literary clients a chance to direct their own films, often marking their directorial debut. We did this for several of our literary clients, the latest production being, THE GREAT BUCK HOWARD, starring John Malkovich, Emily Blunt and Tom Hanks…currently in theaters around the country.

With me in charge of all things creative (script development being key) we (AE) set up projects at many of the major and mini-major film studios and television networks, shared clients with the very top agencies like CAA and ICM and, essentially, learned the intricacies of the marketplace while building deep relationships on both the creative and business side of the industry.

In January of 2009, I went off on my own and formed NexTV Entertainment with the mission of finding produced content from around the web (and around the world), then repackaging it for mainstream film and television.

In making the leap from acting to producing, I quickly realized that I needed a comprehensive system in order to make sense of the challenges that face producers in today’s extremely competitive entertainment industry. I created this handbook as a guide for myself and for those I work with to use in all productions, big and small. It should provide some guidance for that process of bringing a project from script to screen.

LESSON #1…

“Until one is committed there is always hesitancy, the chance to draw back, but this impulse should be resisted at all costs. The moment one definitively and passionately and unselfconsciously commits oneself, then Providence moves too. A whole stream of events issues from the decision to act, to create...

Whatever you can do, or dream you can do, begin it! Boldness has a genius, a power, and a magic in it. Embrace it. Begin it now...” –Goethe

You cannot allow ANYTHING to deter you from creating content, from working on becoming a more fully realized filmmaker, from taking action…on a daily basis. If you are serious about penetrating the industry, there are no excuses, zero, for not creating your own work…especially with technology being as it is today. If this applies to you, truly examine why you are not making movies right now. Is it money? Is it time? Is it material? If you embrace the idea that you must TAKE ACTION, then none of those excuses are relevant. I have 2 children, run two fledgling businesses (with very low overhead), run a film competition (www.NexTV_entertainment.com), teach and generally finish it all before 6:30pm so I can be with my family (aside from the evenings I teach). Am I spread too thin? Yes. Could I be entirely more effective? Yes…talk to my wife! But, at 39, I realize that not taking action simply results in nothing…no matter how legitimate my excuses are.
INTRODUCTION

One of the reasons I added the ‘PRODUCTON SERVICES’ division to NexTV was to help actors, writers and filmmakers take those first steps towards creating content. The concept is: “You’ve got an idea? Shoot it, THEN pitch it”. Create a short, a web series, a doc, anything that could be the basis for a network or studio pitch. I’ve created an extremely inexpensive way to get professional equipment, a professional operator/DP/editor, etc…for very little money. Contact me for information and rates…as low as $150/day for the basic package. Additionally, we have web designers, Internet Technicians, a marketing team, etc… for those who want to create a web series and bring traffic to their site…rbecker@NexTV entertainment.com…I digress once again.

The first movie I produced, I helped write, direct, I starred in it, financed it entirely myself and I produced it….the only experience or education I had in the industry was as an actor. I simply set out to make a movie and within a year I was at the Cannes Film Festival watching my little movie screen alongside the world’s most accomplished filmmakers. How did I do it? I faked that I knew what I was doing! I knew I needed a camera. I went to rent one and they asked where my insurance was…note to self: I need insurance. When getting insurance they asked about the locations I’d be shooting at, when looking for locations they asked if I’d gotten the permits yet, when sitting in the mayor’s office of TV and film (NYC), and so on…by the time I actually began shooting, I had a staff of 40 people (30 of them interns looking for production experience).

1. Believe that you are a producer and others will treat you like one. Everyone is making this up as they go along…or more descriptively (and accurately)…everyone is full of shit. If you think you cannot do something because you do not have enough knowledge, you’re simply wrong. Ask the president of Fox Searchlight what kind of lenses are being used in any of the films she personally greenlit this year and I’ll bet the value of this book, that she doesn’t have a clue. (Note: the book is free…I still think I’m right.)

2. Money is no reason NOT to make a movie. Back in my guerilla days, I set up my entire production office for my movie by buying computers, scanners, printers, fax machines, etc…at Staples…then within two weeks I returned them all and bought all of the equipment at Best Buy, then Comp USA and so forth…

I wish you the best of luck with your project(s) and your career and hope that you stay in touch with me if you have any further questions, thoughts, comments, suggestions, etc…

Randy Becker
NexTV Entertainment
www.NexTV entertainment.com
A: MISSION STATEMENT

**Mission Statement:**

NexTV Entertainment is a multi-faceted entertainment company based in Los Angeles, CA with the mission of connecting today’s elite decision-makers with tomorrow’s great artists.

**NexTV Goals:**

- Brand ourselves to filmmakers as the company that can connect them to the top circles in the entertainment industry.
- Brand ourselves to industry leaders as the company that can deliver highly developed, produced content.
- Add a 4th competition to our 3 existing ones (The Writing & Pitch Competition, The Web Series & Indie Film Competition, The Acting & Directing Talent Search).
- Build a Management/Production company (Louder Entertainment) to help facilitate continued industry penetration.
- Build strategic alliances with Brands looking for Integrated Marketing opportunities.
- Include a “Social Impact” prize for artists working to effect positive social change, by 2012.
- Set up three television series per year, increasing to six by 2014.
- Set up three feature films per year, increasing to six by 2014.
- Continue to develop strategic alliances with the most powerful execs, agents and managers in the industry.
- Expand our website to include content (videos, blogs, and more) that draw artists and entertainment execs to the site.
- Set up a discretionary fund for acquiring property: books, articles, scripts, etc.
- Establish an exclusive relationship with an Equity Fund by 2014.
- Institute an “artists-in-residency” program for young filmmakers by 2014.
B: PROJECT EVALUATION

There are three core factors that influence NexTV’s decision to produce a particular film or television project. One, all, or a combination of the three need to exist in order to justify pursuit of the project.

1. **Artistic:** We strongly feel it will promote the NexTV brand of smart, character-driven films/TV with great commercial potential and reinforce our reputation for taste and dependability.

2. **Strategic Alliance:** It provides an opportunity to forge an alliance with powerful and influential people (and companies) in the industry.

3. **Revenue:** It represents a unique opportunity to translate an overwhelming demand or trend in the current marketplace into revenue for NexTV Entertainment.

While some filmmakers will pursue their passion projects, regardless of the commercial viability and others try to guess what the market will support, it is essential to understand how production companies, studios and indie financiers look at your project. VALUE is key…does it bring value to the company? If not, you’re done. All companies have their own systems in place for assessing value. You must know your project well enough to be able to address the various questions that will come your way when presenting your project to potential producing partners, financiers, and nuts-and-bolts producers/line producers, and you must learn as much as you can about the companies most relevant to you and the fulfillment of your specific goals in the industry.

For this reason, I will share with you the process we go through after a project has been identified as one that may meet one of the three factors for NexTV production.

The Project Evaluation Checklist is a way for us to gather all of the relevant data in order to formulate a complete and accurate evaluation of the project. In short, the project evaluation should answer the questions, “Is this project worth pursuing? And, if so, why?”
B: PROJECT EVALUATION

Project Evaluation Checklist

TITLE

I. Contact

II. Log Line

III. Overall comments about the project and its value.

IV. Estimated Budget:
   a. Total
   b. How much money is already in place
      i. Equity (meaning: “Cash”)
      ii. Pre-sales - which territories?
         A. This is generally used for foreign sales.
         B. You may bring just a poster and a logline to one of the three major film markets (Cannes, AFM in Santa Monica, Berlin – other significant markets are replacing Berlin)
         C. You can cash-flow the film with the “cut-rate” fee each country/territory might pay before the film is shot.
      iii. Credit
      iv. Tax incentives - See list of states with incentives programs.*

V. Characters
   a. Character-driven or Concept-driven
   b. How many (and which) roles can be populated with bankable names?**

VI. Genre **
   a. Thriller, Horror, Comedy, etc…
   b. Commercial, Art house

VII. Elements attached (include relation to):
   a. Cast
      i. Letter of intent?
      ii. Confirmed with Agent/Manager/Lawyer
      iii. Expectations
         A. Fees
         B. Credits
   
   b. Director
      i. Letter of intent?
      ii. Confirmed with Agent/Manager/Lawyer
      iii. Expectations
         A. Fees
         B. Credits
B: PROJECT EVALUATION

c. Producers
   i. Letter of intent?
   ii. Confirmed with Agent/Mngr/Lawyer
   iii. Expectations
      A. Fees
      B. Credits

d. Writer
   i. Are they repped?
   ii. Expectations
      A. Fees
      B. Credits
   iii. Sole writing credit?
      A. If not, who else gets credit?
      B. What credits (story by, written by, etc..)?

VIII. Who controls the rights?
   a. Purchase?
   b. Option?
      i. Term
      ii. Script fee
      iii. All other fees (life rights, etc.)

IX. Value to NexTV?
   a. Artistic/”branding”
   b. Strategic Alliances (include what the benefit is)
      i. Company
      ii. Producers
      iii. Cast
      iv. Writer
      v. Director
      vi. Reps
      vii. Other
   c. Unique Financial Vehicle
      i. Producer’s fee
      ii. Finder’s fee

X. Exposure***
   a. Who has seen it?
   b. Who else is seeing it?
   c. Do we have an exclusive term to shop it around?
      i. Written commitment?
         A. Is it necessary?
         B. Pros Vs. Cons
   d. Any other Agreements in place for the project?
   e. Baggage?
* STATE INCENTIVE PROGRAMS. These tend to change, so please do your own research as well, using this as a point of reference. Some of these may no longer be up-to-date, and some states have simply run out of money to support their incentive programs.

1. New Mexico - 25% cash rebate (possible 20% on actor salaries as well, depending on a few factors…talk to NM film commission.

2. Louisiana - 25% tax credits

3. Washington - 20% cash rebate

4. Florida - 15% cash rebate

5. Maine - 10% cash rebate on non-Maine residents, 12% rebate on Maine residents

6. Michigan – 42% cash rebate depending on how much is spent in Michigan and where you shoot. Some have complained that this system is not working properly anymore.

7. Mississippi - 10% rebate on in-state goods and services, 10% tax credit on payroll.

8. Missouri!! - 50% tax credit for in-state expenditures (up to $1 million).

9. Montana - 12% cash rebate on instate labor, 8% cash rebate on expenditures. No sales tax.

10. Oklahoma - 15% cash rebate

11. Oregon - 10% cash rebate + 6.2% rebate on in-state payroll for production personnel.

12. South Carolina - 20% cash rebate on payroll, 30% rebate on supplier expenditures...need to check on this since legislation is shifting there.

13. Utah - 10%-12% cash rebate and no sales tax.

14. Vermont - 10% cash rebate on local spending

15. Wyoming - 15% cash rebate

Other incentive programs:
- Georgia (9% tax credit, plus no sales tax)
- Hawaii (15% tax credit for Oahu, 20% for other Islands)
- Alabama (tax and lodging abatements)
- Texas (5% rebate)
- Arizona (tax credits)
- Arkansas (rebate of sales tax)
- Connecticut (30% tax credit)
- Idaho (Rebate of the 6% sales tax on "tangible items", plus no tax on lodging)
- Illinois (20% tax credit, plus no sales tax on film processing of 35mm film. Hotel tax of 14.9% is rebated if sty is longer than 30 days)
- Massachusetts (20% tax credit on total payroll, except those making more than $1 million, 25% tax credit on all in-state production expenses)
- New Jersey (20% tax credit)
- New York (tax credits - 10% + 5% in NYC)
- North Carolina - (15% tax credit)
- Pennsylvania - 20% tax credit on TOTAL budget, if in-state spending is at least 60% of budget.
- Rhode Island - 25% tax credit on all Rhode Island spending.
- South Dakota - checking
- Tennessee - sales tax refunded
- Texas - sales tax refunded
- Wisconsin - 25% tax credit on production expenditures.
D: ASSESSING VALUE

**VALUE IN THE MARKETPLACE.**

For the most part, actors are the single most important factor in determining the inherent value of a project. And, in most cases, an actor’s value in the foreign marketplace is the most important. Any foreign sales company can give you their sense of an actor’s “value” based on their historical data and their knowledge of what buyers from the different countries/territories that they deal with will pay.

Genre is next in importance. Things change as the marketplace adjusts, but in general, Family Films and Thrillers are the most valuable. Horrors also have a stable level of demand in the foreign marketplace. Dramas are the hardest to sell and therefore the hardest to raise money for. They are entirely ‘execution-dependent’. Without a significant marquee actor on board in a leading role, you are playing the lottery and most investors aren’t interested in that. Comedies, urban films, sports movies and others that are uniquely geared towards an American cultural sensibility are also very difficult. You can try to raise money solely on the domestic projections, but most financiers look to the worldwide marketplace for their return. Studios, these days, are interested in making huge, high-concept, tent-pole films like TRANSFORMERS, big thrillers and low-budget comedies, with one of the few significant comedians on board (Will Ferrell, Ben Stiller, Vince Vaughn, Adam Sandler, etc…). The rest they’ll wait to see when completed, then acquire for distribution if they’ve determined it to be worth the investment. Other genres work at certain budget levels. For example, you want to make a creature-feature, the Sci-Fi channel may give you $950,000 to make it as an original Sci-Fi Channel movie.

Note: Don’t be fooled by people saying that it’s ultra low-budget, so it should be easy to raise money for…a few hundred grand is not easy to raise for a film. Without adhering to the logic of the marketplace, it is extremely difficult to sell your movie (as many of you know), so no size of investment is a safe one.

Director is also very important. A marquee actor with genuine value knows that he/she has a tenuous, yet powerful place in the food chain. It is rare that Brad Pitt will ever agree to do a film with a director that he does not have a level of comfort with. First-time directors are fine, but they must have an extremely clear vision of the film and, generally, if they are not the writer as well, it can be difficult to convince someone writing a check for over $1million that they are the person who can do this better than anyone else, not to mention the actor and his/her agents/advisors.

Script, surprisingly, is the least important element in many ways. Now, if the script is not EXCELLENT you will not be able to attract the elements needed to make and sell your film, so for many reasons it is an absolute necessity that the script is first rate, however, serious financiers don’t make the script the determining factor…many don’t even read it, believe it or not! Anyone who has been in the business for a significant period of time realizes that the other elements are much more relevant in determining whether someone’s money is safe…strange business we are in, but logic does prevail if you understand the rules of the game.
When it has been determined that a project could be valuable to a company like NEXTV, and all of the relevant information has been gathered, the next step is to do a ‘project breakdown’ (refer to the Project Breakdown Worksheet). This provides a general overview of the project from a producorial standpoint. It is very useful for you to do this with your project as well, so you are on top of the elements that will determine budget, casting, a course for raising money and, ultimately a shooting strategy.

Using the Project Breakdown, we are able to make a well-educated guess about several important factors without having to hire people for things like budgets, cast lists, etc…

Again, without knowing how other people look at your project, it is difficult to develop a relevant action plan for realizing it, so step onto the other side of the business to look at your project.

This is a “report” that you should print off, fill in and have accessible at all times. I find myself referring back to the Project Breakdowns repeatedly for loglines, cast lists, locations, etc…(great to have one report that contains it all).
E: PROJECT BREAKDOWN

Project Breakdown Worksheet

TITLE

By

Screenwriter

NexTV Entertainment
P.O. box 5072
Culver City, CA 90231
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E: PROJECT BREAKDOWN

Project: TITLE
Written by:
Director:

Logline: It is important to distill the essence of the film into one or two sentences. The logline should communicate the story, genre, tone, theme, and lead character; one should be able to see the film from just the logline. It may be helpful to use well-known films as points of reference.

If you are unable to distill your script down to a logline, it often means that it is truly execution-dependent ("you had to be there... ") and difficult to sell. I recognize that some of the best movies in the history of cinema were not high-concept films, but rather beautifully executed masterpieces. That being said, you must find a way to pitch your film in as succinct a way possible. There is nothing that immediately turns a buyer off than a meandering explanation of semi-relevant plotlines and characters. If you were telling your friend that you just saw your movie, how would you explain it him/her? Remember, 99 out of 100 times, the person you are talking to must still “pitch” your project to his/her boss.

Here are two examples of effective loglines:

Logline #1: FEUD (Psychological Thriller) The American dream...gone to hell. A young couple flees L.A. to start a family in the peace and safety of suburbia, only to be drawn into a murderously escalating feud with their ominous new neighbors. A suburban FALLING DOWN, FEUD is the story of a man and his violent unraveling.

Logline #2: (Broad Comedy) After cursing God for his bad luck, he is given all of God’s powers for one day...hilarity ensues.

Both examples, eloquent or not, give you a clear picture of what a potential “buyer” might be buying. They can see the movie poster from it (essential). When, and only when, the logline is determined to be right for a company, will your project get to the next level...think of it as your project’s calling card.
Character breakdown

Overview: Large/Small cast, which roles for bankable stars, etc.
# of Speaking roles
# of Lead roles
# of Principal roles
# of Supporting roles
# of Day Players

# of Non-speaking roles (more than extras)

1. [CHARACTER NAME] Character description. TYPE OF ROLE (pg. # introduced).

2. [CHARACTER NAME]…etc.
E: PROJECT BREAKDOWN

Locations’ breakdown

Overview:
# of Locations
# of Essential locations (you can adjust all locations except these…)

1. LOCATION NAME – EXT. (p. # introduced) - Description

2. LOCATION NAME - INT. (p.# introduced) – Description
Budgetary Considerations / Potential Challenges

Overview:

1. Locations
2. Cars
3. Special Effects
4. Animals
5. Extras
6. Etc…
E: PROJECT BREAKDOWN

Cast list

CHARACTER NAME 1
Bankable Names – Agent at Agency

CHARACTER NAME 2
  Bankable Names – Agent at Agency
From the moment we decide to take on a project to produce, we record all activity. Not only does this serve as a record for future reference, it also becomes a helpful tool for setting goals and breaking them down into ‘action steps’.

“We begin with the end in mind”. By looking to the future and setting a specific, overarching goal, it is possible to plot the course of action by working backwards from that goal. In some cases a start date is set and a plan is put together to bring all the necessary elements together to realize that goal. In such cases, the length of time needed for prep is calculated (for low-budget films 5-6 weeks is usually sufficient). Before that, financing must be secured, key talent components and/or a director may need to be attached, before financing can be realized. In some cases a start date is not a sufficient goal; a particular festival submission deadline may become the date to work back from. Each project will have different elements needed at different stages of the process.

In order to determine the goal to work backwards from, you must first examine the nature of the project, the reason you are so determined to make this project and a basic strategy for producing and selling the film. A sophisticated, edgy drama, for example, may benefit greatly from a festival like Sundance, where it can be introduced to buyers who are looking for this kind of material (otherwise difficult to sell). It is important that the film is edited in time to meet the submission deadline. On the other hand, a low-budget horror film could be sold at any time of the year without the help of a major film festival, but the actor you are aiming for is only available during a certain window of time.

The Activity Log Worksheet is a basic template for recording and creating the ‘action steps’ necessary to attain the project’s desired outcome.
### ACTIVITY LOG WORKSHEET

<table>
<thead>
<tr>
<th>OUTCOME</th>
<th>DATE</th>
<th>ACTIONS TAKEN</th>
</tr>
</thead>
<tbody>
<tr>
<td>START DATE:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>START PRE-PROD. (5-8 wks):</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SECURE FINANCING BY: (4-8 Weeks before Pre-Prod.)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SECURE KEY TALENT COMPONENT BY: (usually necessary for financing)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SECURE DIRECTOR BY: (if applicable)</td>
<td></td>
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</tr>
</tbody>
</table>
Many of you will be producing your own work. This is especially relevant with today’s incredibly accessible technology.

Many of you will be looking to produce material generated by others. In the case of securing someone else’s work, refer to the sample OPTION AGREEMENT, but also know that a signed agreement is not the only thing necessary in communicating goals, expectations and responsibilities of all parties involved. It is important to be extremely explicit with whomever you are dealing with, getting in writing as much information as you can. There will be rough times in the process (there always are). It is incredibly helpful to be able to reference everyone’s original intentions and expectations.

In short, you all think you’re doing it for the same reasons; a dispute arises and suddenly that option agreement you all signed is seen as a document created by lawyers in a language that one party or the other didn’t quite understand. They will be legally bound by it, but there are ways that a project can be undermined. Even the threat of a lawsuit can scare some investors away. I have seen (and experienced) countless cases where projects break down over things that both parties knew were going to happen when they entered into the agreement to begin with. I spent two years, for example, working to secure financing for a film…after several stops and starts, we had nearly $4million in the bank. Weeks before it was time to begin production, the writer/director had a dispute with the financier over casting issues that we simply KNEW would come up. Though we had addressed them ahead of time and were assured that everything was fine…4 months into a process fraught with battling egos, and after airplane tickets were bought, temporary schools were picked out for my kids, and countless hours and dollars were poured into the film, the project fell apart when the writer/director realized that he decided that he wouldn’t sacrifice the integrity of the film with the limited choices he was being presented. A simple written document worked on before the process began may have been a helpful tool in this case for getting everyone to realize the big picture that we set out to achieve. Incidentally, I’m still sore about that one falling apart…some you just can’t let go of.

Get it in writing while everyone is getting along.

Here is a sample letter that I now send to filmmakers at the beginning of a potential partnership.
LETTER TO FILMMAKER

Dear _________:

NexTV Entertainment is excited by the opportunity to produce your feature film, ______. As we consider entering into this new relationship, we feel that it is extremely important for all parties to communicate their expectations, goals and limitations in regards to this project. At NexTV, we are, first and foremost, people who like to enjoy what we do and who we do it with. We will work tirelessly to accomplish a goal as long as there is a mutual understanding of the rules of the game.

We have developed a series of questions in order to begin this necessary conversation.

1. Why have you chosen this film to direct?

2. Describe as clearly as possible how involved you expect to be in the final decisions in regards to the following:
   a. Budget/Financing
   b. Casting
   c. Production Dept. Heads
   d. Final cut
   e. Marketing
   f. Distribution
   g. Overall strategy

3. What credit(s) do you expect for this film?

4. What do you expect from us as the producers?

5. Are you aware that our first responsibility in producing a film is to protect the financial investment while serving the creative vision? How do you feel about that position?

6. Rank in order of importance to you: Cast, Budget, Overall Experience, Artistic Control, Compensation, Format (film v. video), Overall Production Value, Number of Days to shoot.

7. Rank in order of importance reasons you would consider not making the film (The Deal breaker)? I have had some filmmakers demand final cut. That is simply RARELY if ever going to happen, so knowing this from the beginning saves everyone time and money.

8. Rank in order of importance your cast wish list. What if they all pass?

9. List actors that you will NOT make this film with, if any.
10. Describe what expectation you have for the completed film? What opportunities do you expect as a result of the completed film?

Thanks for this. I have no doubt that the process of thinking through and articulating answers to these questions will help us serve your artistic vision within the realities and parameters of the project.

Sincerely,

Randy Becker
NexTV Entertainment
Controlling the rights to the screenplay/property is essential, as you know. Especially as you get more parties involved and you move towards securing financing. All documents in the “CHAIN OF TITLE” must be in order. That means, there can be no gaps or breaks in the chain when tracking how a property has been transferred from owner to owner. You will be required to disclose the entire chain of title and all relevant documents corroborating the chain, before being able to proceed. A gap will make it nearly impossible to sell and, therefore, will stop the financing process in its tracks. So, if a writer came up with an original idea and screenplay, the Chain of Title begins with him/her. You, as the producer, want to get onto that chain, so you should legally option the material. Options can be for any length of time and for any amount of compensation from $1 on up. There are minimums for Guild (WGA) writes, and often 10% of the negotiated purchase price is reasonable for an option. I have optioned many properties for free and very few for significant amounts of money.

NEXTV has created an option agreement that can be used as a template for every production; it reflects industry standard terms for such agreements (refer to SCREENPLAY OPTION/PURCHASE DEAL MEMORANDUM in the CONTRACTS section of handbook). By upholding ‘industry standards’, as applied to the writer’s status in the business, NEXTV enables a writer to be protected, while keeping the property within boundaries that are palatable for any third party that may pay for assignment of the rights (i.e. a financier, studio or production company). It is essential that you consult an entertainment attorney before signing this agreement. This is merely a template to be used as a point of reference. It is a legal document and I am not a lawyer!

Below are the basic deal points that would need to be negotiated in the Option/Purchase Agreement. They may vary slightly from production to production depending on the writer’s standing in the industry, but generally 2 ½% of the total budget is a standard purchase price for an indie film. It’s important to incorporate floors and ceilings. It’s very rare that an inexperienced writer on a small indie feature will get much more than $150K…regardless of the budget. In repping writers I’ve gotten the ceiling higher than that, significantly, but you don’t want to be saddled with a contract that indie financiers don’t want to honor. They’d rather take it out of your producer fee than pay more than they believe is appropriate for a script written by an unproven writer. The assignment fee, if anything, may be $5K, but this too can be a liability that you may end up having to absorb yourself. The assignment fee would kick in if you bring in a third party to invest or partner in the film. They would require that you assign the rights to the screenplay to them when in exchange for the money to make the film, etc…. Unlikely that you WON’T do that, unless you plan to finance it yourself. When raising money from individuals, you should create an LLC that brings the investors in as members and that will control the rights to the material.

1. Option Price
2. Purchase Price (with floor and ceiling)
3. Assignment Fee (if applicable)
4. Term of Option (including extensions, if any)
Before a writer can get any applicable consideration (money!) for their services, a CERTIFICATE OF ENGAGEMENT (a.k.a. Certificate of Authorship) must be completed. This, essentially, is a document that records the transfer of rights from Writer to Producer. Along with noting the price of the transfer, in it the writer guarantees that the rights are his/hers to give. Again, refer to the CONTRACT for a sample.
I: MAKING THE PRODUCER DEAL

In the process of putting a film together, more often than not, other producing entities are brought on to the project. There are several key deal points that need to be agreed upon immediately.

1. **Fees**: How are they split up between producers (in terms of percentage)?
2. **Back End**: How is this split?
3. **Credits**:
   a. How many Production Company Credits
   b. How many Individual Credits and what are they?
   c. Order (who has top billing?)
4. **Creative Controls**:
   a. Approvals
   b. Consultations
5. **Financial Control**
6. **Location**:
   a. Travel Expenses
   b. Who needs to be there
      i. Exclusive
      ii. Non-exclusive

Moving forward without having the broad-strokes of the deal hammered out first, can, and often does, have serious consequences. As a project gains momentum, producer deals can take weeks, even months, to conclude, especially when lawyers get involved. A project will grind to a halt and all progress can be lost (including talent attachments), if the essential deal points have not already been agreed upon.

All meetings regarding this deal need to be approached in a systematic manner. Many things can be agreed upon in the room, but without written confirmation of that agreement, facts can, and usually do, get muddled. The consequences of this can slow (or even derail) the process.

1. **Before the meeting**, all points that will be discussed are to be written down.
2. **During the meeting**, all points discussed are to be marked off as such and all comments about/agreements made are to be noted.
3. **At the end of the meeting**, the basic points of discussion are to be summarized.
4. **After the meeting**, an email is to be sent to all parties present at the meeting (and their respective lawyers, if applicable) summarizing agreements made in the meeting with a request that the recipients reply and confirm the contents of the email.

Again, this is based purely on experience. The broad-strokes of most deals are made verbally. You need a paper trail for every major decision or you will be in trouble down the line...without fail.

The MEETINGS WORKSHEET has been designed to facilitate this step in the process.
I: MAKING THE PRODUCER DEAL

MEETINGS WORKSHEET

A. Project Name:

B. Purpose/Goal of Meeting:

C. Date/Location of Meeting:

D. Parties present at the meeting:
   1. __________________________  4. __________________________
   2. __________________________  5. __________________________
   3. __________________________  6. __________________________

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Filmmakers who want to have a future in this industry, should be strongly committed to financially responsible filmmaking. It’s one thing to make a brilliant film and something entirely different to sell the movie and return the investors’ their money. You do the latter and you are significantly more likely to make your next film. While no investment is free of risk, it is important to ‘stack the deck in your favor’ when it comes to getting a good return on the investment. Therefore, NEXTV will only make a film when the ‘elements’ involved have a combined “worth” that equals or surpasses the cash investment made into the film. In fact, we generally get foreign projections on the combination of actors (and genre), then keep our budget as close to that number as possible. So, for example, if Sharon Stone were attached to your project, you might have a foreign sales company talk to their buyers and add together the dollars they can collect from each territory (Germany, France, England, Japan, South Africa, etc…). Assuming that, at the VERY LEAST, the film was in focus and generally presentable, they’d come back with a range. Say the low-end of the projection was $3million…that’s what we would make the film for and NO MORE. Then, all money made from North America (theatrical, DVD, television, etc…) would be pure profit, assuming that the projections held up, which they usually do. Also, if the film is good or catches on in any way, you could expect more than the low-end projection. This is the way to demonstrate to potential investors that you take their money very seriously.

If you can’t get a foreign sales company on board, at least walk down the aisles at Blockbuster. Any face that you see ON THE COVER of a DVD, has inherent value to the American marketplace. If you don’t see a particular actor on the cover of a movie it is a likely indication that they have negligible value in the marketplace and, no matter how good they are or ‘impressive’ they seem, you can’t build a financial strategy around them alone.

Some people find it crass to talk about actors and the specific, inherent “value” they have. I get it. That doesn’t stop the fact that people who make their living selling movies will stop talking and seeing the business in this way. Know what the business is. See how you and your project are being assessed, then make an educated choice that may make things easier or more difficult for yourself. Some actors who have no ‘value’ in the marketplace, may have value in other ways. An actor like Justin Kirk, for example, may or may not sell movie tickets in a big way, based on his career as an award-winning actor and star of the current Showtime Television hit, WEEDS. However, those who work closely with actors (talent) know that his name lends credibility to a project that may make it easier to attract actors with huge value. That is a judgement call that should be made after you have done your research. Call up some of the agencies and management companies that rep some of the bigger actors and see if you get your phone calls returned when you let them know about your project with, “blank” actor attached.

Because we have a good overall sense of value, we can determine how much a film should be made for, simply by the elements attached, the genre and so forth…It is extremely unlikely that NEXTV would make a $10 million film, for example, with certain actors on board and no distribution in place (regardless of their abilities or our
personal affinity towards them). However, we may find that the same package of actors works perfectly for a film budgeted at $1 million. Then the question is whether you can realistically make the film at that budget. I tend to say “yes”…technology is such that truly inventive and motivated filmmakers can take $1 million (that’s one million individual, green dollars) and make a great movie. Unions, equipment, insurance and the like make filmmaking extremely expensive, however, you can adjust the scale of your production down to the size of your budget…like I said before, we offer a package for filmmakers who want to shoot a micro-budgeted project with great equipment and a professional operator/DP/editor for exponentially LESS money and higher quality than was possible a few years ago. Anyone who is fortunate enough to have raised $1 million for a film, can make a pretty damn good looking one, these days. Filmmaking is getting cheaper, not more expensive. I digress...

NEXTV has allied itself with foreign sales companies who make it their business to have up-to-date projections for each actor…GET TO KNOW FOREIGN SALES AGENTS. Make the cold call, have coffee, be an intern, figure out how you can be of value to them. The information that they gather daily is extremely important when trying to raise money for a film or determine who you should target for the lead roles in your film. When you come to a major company or producer boasting that you have an actor attached that has little value, you immediately betray your lack of knowledge and likely will end your opportunities at that company. Foreign sales companies are not just pulling these numbers out of the air…the good ones are going with recent historical data and personal contact with the actual buyers from the different foreign marketplaces. If you keep the film in focus and audible, 9 out of 10 times the projections hold up. You will be amazed at who does NOT have real value and who does.

Foreign sales companies know the marketplace and can also tell you whether they can sell your project before you ever shoot it. There are exceptions that we see all the time and that continue to cloud the realities of the actual marketplace, just like there is a new lottery winner every week. But building a sustainable business on your future lottery winnings is a business that’s tough to sell. You can always get someone to invest once…lose their money and you’re done with them, no matter how close they are to you or how wealthy they may be.

So…you have your brilliant script that you WILL make into a movie, but it’s a drama, there is no actor with value attached and no way, it seems of getting an actor attached…should you throw in the towel? Of course not…if this is the project that you must make, forget everything you’ve read so far and make it anyway!!! If you are a filmmaker you MUST make films. Waiting around for the formula to work may take you forever. Find a way to shoot an extremely good movie for very little money, then jump off the cliff and shoot it. But…make sure the choices you make creatively are not limited by your lack of money, but instead inspired by it. In making NARC the story goes that director, Joe Carnahan, couldn’t afford the particular dollie needed for the opening chase sequence. Instead, he strapped the camera to a shopping cart and created a riveting effect that served the story he was trying to tell. You must adjust to make deliberate creative choices.
Shooting your movie without elements and with total disregard to the logic of the marketplace that I’ve been talking about, may make it much harder to sell your movie…or you may hit the jackpot with it. I want to communicate to you what the challenges are and will be, and how to set your expectations. Perhaps this movie is simply a festival one and a calling card for what you can do, so the next time around you can get an actor of note to pay attention. Be very clear with why you are shooting your movie (strategically speaking) and make sure every move you make is in line with this.

One of the reasons I spent $60,000 on a movie that I had hope to spend $7,500 on (aside from the fact that I had no clue what I was doing) was that my goal was to make a calling card in order to sell my feature. I felt that I could not have achieved my specific goal if I made a mediocre film that didn’t communicate the aesthetics and general tone of the potential feature. Because I had no idea what to plan for and no real plan to begin with, I ended up shelling out dollar after dollar to ensure that I was creating something worthwhile (who knew, for example, that it was one thing to rent a bunch of trucks full of equipment in NYC and another thing to PARK THEM SECURELY OVERNIGHT…$1,000 a piece for the week!). I highly recommend that you do NOT do it that way. Needless to say, I have learned from my experience…and hope you learn from my experience as well.

Back to finding MARQUEE TALENT to help attract financing and secure a sale for your film:

1. Create Actor Wish List
   i. Aim high
      1. Have a list of the prototypes so everyone immediately gets your vision (Brad Pitt, etc…)
      2. Have a list of actors that YOU think work creatively, financially AND might need your film for their career
         a. Actors (and their reps) often say that they are looking for their PULP FICTION (re-invented John Travolta) or their MONSTER (Charlize Thieron’s break-through ACTING role).
         b. Finding an actor who needs to reinvent him or herself gives you a shot at the top…provided that you are offering a role that is truly remarkable.
   ii. Be realistic
      1. Some actors have no reason whatsoever to make a movie with an unknown director, an unknown writer, an unknown producer. And no matter how much they like your material, they will have people in their lives that will either keep you away from them or convince them that they need to NOT do your film.
         a. Does Matt Damon, for example, need to be the action hero in your movie? I find it difficult to imagine…he’s got the Bourne franchise already.
b. Does Ben Affleck need to be the action hero in your movie? Maybe…if it’s a brilliant role, with incredible potential for becoming his “Bourne franchise”.

c. Both have great value in the marketplace; one may need a spark in his career…though it seems Ben Affleck is focusing on directing. (Get the point?)

2. Some actors may be huge stars to you, but may not mean anything in the real world. Many TV stars, for example, don’t make raising money for your film any easier, especially if their show is not yet playing in the relevant territories around the world.

iii. Look for yesterday’s big stars.
1. Actors who were once HUGE often still have a ton of foreign value.
   a. Patrick Swayze, for example, until recently…sadly…may not have helped you get into theaters in America, but would still attract people from around the world (he was a house-hold name for years).

iv. Look for some great smaller roles that you could fill with big stars.
1. A role that only works for a day or two may make it easier for you to fill…
2. You can offer a significant day-rate (say, $10K per day) and it would only cost you $20K-$30K. It’s often worth it for, say, a Donald Sutherland, to roll out of bed and to a set for $30K
3. Know that foreign buyers are not AS interested in stars in small roles, but they still add value and can help you attract other actors.

v. Make room for stars.
1. If you are playing the lead in your film, it makes it very challenging (not impossible). Even if you have a brilliant role open for a marquee name, more than likely, they will want to know who is playing the lead.
2. All Stars (or the people that advise them) realize that their ability to get cast is directly related to their value in the marketplace. If they begin doing movies that don’t do well, those numbers are not kept secret. Their value will diminish and their ability to get cast will too.
   a. Unproven directors pose a challenge (not insurmountable).
   b. Unproven actors pose a challenge
   c. You must be able to convince them that there is no one who is better for the role (or to direct).
J: FINDING KEY CAST COMPONENT

d. Again, not insurmountable, but you must decide what is your highest priority…selling your project or making/being in your project.

2. Identify Representatives
   i. Agents
   ii. Managers
   iii. Lawyers

3. Do your due diligence
   i. What are specific actors looking for?
      1. Utilize personal relationships with talent agents, managers, casting directors and lawyers.
         a. Are they looking for a ‘pay day’?
         b. Will they do indie films?
         c. What kind of roles are they looking to play?
         d. Do they want to direct as well…produce?
      2. Is there any way to access talent directly?
         a. If you can get to your projects directly in the hands of an actor, that is HUGELY helpful. It is wisest to inform their manager/agent that you have given your project to the actor. Let them know that you are doing this as a courtesy to keep them in the loop and will give them a copy of the material as well, if they’d like.
         b. It is tough to get an agent/manager to read material for a big star, as I’m sure you know…however, if they know that their prized client has the material already, it is in their best interest to be educated on the material.
         c. There is no point in trying to circumvent agents and managers entirely. Major actors are busy and more often than not, hand material off to their reps to filter for them…This is all a chess game. Play each player against the other, presenting them with something of value and, in some cases, a consequence for NOT playing along.

   ii. Assess which actors will be a waste of time based on the following:
      1. Budget/money available for cast
      2. Actor’s taste in material
      3. Type of role
      4. Size of role
      5. Time commitment
      6. Location
4. **Check Availabilities**
   i. Call agent or manager
   ii. If not available, when will they be?
   iii. You will be asked for the project name, start date, maybe the budget, etc…
      1. We made a film for $87,000…when asked the budget, we said it was “under a million” (which it certainly was) and we got some significant names on board…who NEVER knew the budget of the film.
      2. You must have a START DATE when you begin approaching agents. Even if it’s not entirely real, choose a realistic date that incorporates the amount of time you’ll need to close deals up (generally a month), time to prep the film (5-8 weeks…less if the budget is real low).
      3. Know that any sense of hesitation, apology or inexperience will immediately be a red flag to keep their clients away from your project.
      4. Experiment with the most effective ways to cold call, giving yourself talking points to mention immediately.
         a. People are very busy trying to make something out of nothing in this industry. YOU ARE EITHER A DOLLAR SIGN TO THEM, OR YOU DON’T EXIST.
         b. Demonstrate that you are a potential dollar sign immediately in the conversation.

5. **Refine list**
   i. With financier or potential financier, identify a ‘pre-approved’ list
      1. If you can go to a financier and demonstrate a true respect for their investment, you are much less likely to be dismissed.
      2. Suggest that you create a list of actors that, if you are able to get one, they WILL invest in your film, if not, ‘no harm done.’
      3. Present them with a list of people who are creatively right, within the realm of possibility for you to get and financially sound as elements.
      4. Know that every financier will prefer that you get Brad Pitt, so present possibilities that are truly realistic or you will be stuck with trying to get Brad Pitt.
   ii. Identify most desirable actors (divide into A, B, C lists)

The CAST LIST WORKSHEET is a helpful template. (Use an excel worksheet).

*Note: While many NEXTV productions are centered around writer/directors, there are times when a director must be found. This process parallels that of finding actors. A few things are key in choosing a director: 1) Will they help you secure talent (marquee*
J: FINDING KEY CAST COMPONENT

actors) 2) Can they demonstrate that they are the best choice out there for the film? They will need to prove it, not just to you, but to financiers and, most importantly, marquee actors. First-time directors are tough unless they are the writers as well. However, sometimes you may want to present the director as a first-timer even if they have samples to show. Unless the work is BRILLIANT, you may be opening a can of worms by showing their previous work. The unknown may be better than the known, if the latter is not brilliant or could raise questions in any way.
### J: FINDING KEY CAST COMPONENT

**CAST LIST WORKSHEET**

**TITLE**

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‘Soft Prep’ is the prep time before actual pre-production begins. When the money to finance the film has been identified (if not entirely) secured, a start date has been set and whatever “triggers” required to gain access to that money have been identified and readied, it is time to begin a soft prep of the film.

While it is unlikely that anyone will be on payroll until the official start of pre-production, many of the key players of the film should be identified, location scouts should begin, and, in general, the ‘machine’ that will power this production should start to be assembled. The risk with getting too deep into prep before all financial deals are locked down is that you could look bad if the deals fall through…yup, done it, regretted it, will probably do it again. With a recent project I was to produce, I was assured that we were a ‘greenlit’ movie. I had contacted all agents in town to identify those perfect key creative department heads. The director and I had begun interviewing some extremely accomplished DPs, Editors, and Production Designers. We began flying the director to New York and London to scout locations and meet a key actor. We did and spent…a lot…then it all fell apart….my wife was unhappy. Lots of work, lots of hours, nothing to show for it.

Nonetheless, you must prepare yourself for the start of pre-production, because once you begin, you are on the clock…time ticks down to the day you begin principal photography…and the cost of being unprepared for that is prohibitive.

PREP CHECKLIST #1 is a helpful tool in making sure that the initial steps for prepping the film have been taken.
PREP CHECKLIST #1

1. Form and file for an LLC
   a. A new corporation should be formed for each production.
   b. An LLC (limited liability corporation) protects you, personally, from liabilities that the company may have.
   c. Ideally, you are a manager of the LLC (decision-maker) and the investors are members with agreed-upon rights.
      i. Rules for the running of the project are explicitly laid out in the operating agreement of the LLC.
         1. Here is where the Return on Investment (ROI) is defined
         2. In general, investors should get back their money + a premium (usually 10%), before any other money is distributed.
         3. Deferred costs and bonuses come next.
         4. Then, profit is split between investors and the producing team. Traditionally it is a 50/50 split (again, this is AFTER the investors have gotten back their money plus some).
      ii. Reality is that the distributor will take a significant portion of every dollar that comes in before it even goes into your company’s coffers, but the specifics of that deal that will be negotiated separately.

2. Check Paperwork
   a. Operating Agreement
   b. Risk Factor Document
      i. You need to be clear with your investors that this is a risky proposition.
      ii. You can’t mislead them into investing into a film without laying out the risks.
   c. Production Attorney Deal
      i. Making a movie is extremely collaborative…there will be many deals to make along the way.
      ii. I HIGHLY recommend that you find an entertainment attorney to assist in this.
         1. If you don’t have much money, figure out a deal.
         2. Maybe you pay them a flat rate, maybe they will accept a deferred payment (unlikely).
         3. This, like all expenses, will be a line in the budget

3. Hire a Line Producer
   a. He or she will run the show. It is of VITAL importance that you trust both their skill set and their integrity, since they will be dealing with and handling MONEY; budgeting, cash flow, making crew deals, equipment
K: BEGINNING “SOFT PREP” – PREP CHECKLIST #1

deals, dealing with the unions and guilds and generally making sure that the business side of this business runs smoothly on a daily/second-by-second basis
b. I had the unfortunate experience of having a Line Producer who forgot that the SAG (actor) rates had changed. Our entire budget ended up significantly inaccurate and we had to scramble to raise an additional $50K.

4. Write a Budget – FYI, one of the sponsors of the NexTV Web Series and Short Film Competition (Entertainment Partners) makes Movie Magic, the leading budgeting and scheduling software…another reason to submit to our competition, right? Right. [www.NexTVentertainment.com](http://www.NexTVentertainment.com).

5. Identify Key Creative Dept. Heads
   a. Director of Photography (DP)
   b. Production Designer
   c. Costume Designer
   d. Editor

6. Begin scouting locations
   a. Informal
   b. Get a head start on exploring challenging locations
   c. Most state film commissions have a ton of photographs on file to help scout locations. Call them up and they will help you out for free.

7. Begin scouting production offices

8. Hire Casting Director
   a. Put out a Break-down
      i. This informs all agents and managers in town of the roles that you will be looking to cast.
      ii. This will generate phone calls from agents/managers where they pitch their clients…often actors who may be of value to the financing part of the equation are brought up TO YOU.
   b. Begin connecting with agencies about the project
      i. If you can get an agent to ‘cover’ your project, that is ideal.
         1. You have to demonstrate a real value to the agency/clients in order for that to happen.
         2. This is rare, so the key is to make the agency aware of your project and find a champion in the agency who will help navigate the waters.
            a. Again, information is key.
            b. Many of the leading men in town are at CAA. CAA is a huge company. Having an agent on your side who will talk to the various agents and gather
information about clients that you are interested in is extremely valuable.

ii. This is another reason why you should dedicate a good portion of your time, when NOT in production, to building relationships at the agencies.

1. In my previous company, we spent 6 months doing nothing but having meetings with all of the top agencies and management companies in town. The pay-off was huge… I still do it...

2. We were producers and were able to convince them that it was worth a few minutes of their time to see what projects we had going and, in general who we were.

3. They will only do this if they believe that you have something of value…some way to cast their clients and get them paid or some long-term relationship worth working on.

   a. I leave it to you to figure out how to convince others of this.
   
   b. Be creative and do a lot of ‘trial-and-error’ runs…
When Pre-production officially begins, the first thing that should be worked on with the line producer is the overall plan for addressing everything that needs to be done in preparation for the start of principal photography. A Master Production Calendar should be created that begins by working backwards from the start date. While daily revisions may be necessary, this calendar should be adhered to religiously. PREP CHECKLIST #2 and #3 will be helpful in keeping track of the business that will need to be taken care of during pre-production.
PREP CHECKLIST #2
(Initial Steps)

1. Create MASTER PRODUCTION CALENDAR with the “End in Mind”
   a. Work backwards from beginning of Principal Photography
   b. Outline the major challenges that need to be addressed
   c. Schedule Production meetings
   d. Schedule Tech scouts

2. Create MASTER TO-DO LIST

3. Begin CASTING

4. Begin UNION PAPERWORK (when applicable)
   a. SAG
   b. DGA
   c. WGA
   d. IATSE – union for your crew
   e. TEAMSTERS – Casting Directors are now included in this union.

5. Scout LOCATIONS
   a. Hire Location Manager
   b. Rewrites
      i. to reflect locations (if necessary)
      ii. to reflect other budgetary constraints

6. Begin Hiring CREW DEPT. HEADS
   a. Grip
   b. Electric
   c. Sound
   d. Hair/Make-up
   e. Post-Prod. Supervisor
L: PRE-PRODUCTION

KEEPING PRE-PRODUCTION ON TRACK:

There is an incredible amount of work that needs to be completed in a very short period of time. As the team grows, it is essential to ensure that it is functioning efficiently and effectively, and to make the necessary adjustments as challenges arise. Though this is the responsibility of your Line Producer, you need to be on top of it all as well. The following is how I suggest that you keep the machine functioning properly, followed by Prep Checklist #3:

1. MORNING EMAIL FROM LINE PRODUCER:
   a. *EXPECTATIONS/HOMEWORK* for the day. (It should be specific to tasks that need to be completed.)
   b. This should come consistently at the same time each day, if possible, so everyone has marching orders and is reminded of the big picture each day.

3. END OF DAY EMAIL: *FOLLOW-UP*
   a. Where are we in the overall process?
   b. What have we achieved?
   c. What new challenges have arisen?
      i. Identify the challenge
      ii. Create action steps for meeting the challenge.

3. PRODUCTION MEETINGS:
   a. Production meeting every week.
   b. Department Head meetings every week.
   c. Overall Meetings (Mondays)

4. WEEK-END COST REPORT
   a. Budget: Run a VARIANCE column in Movie Magic (the difference between the actual numbers and the budgeted figures)
   b. As real numbers come in - we need to see the variance, so, at any point in the process, we know where we are in terms of cash flow (up or down in each category)
   c. Essential, so we can make critical decisions on how to get back on track.

5. CASH FLOW LIST
   a. What checks do we need?
   b. Which vendors will require deposits? What kind?
      a. You will be renting extremely expensive equipment.
      b. In addition to insurance, many vendors will require a deposit.
   c. When do you need them, etc.

7. VENDORS
   a. What kind of credit application do they accept.
   b. Do they accept P.O.’s?
   c. What kind of insurance do they require?
PREP CHECKLIST #3

1) CAMERA PKG
   a. DP will compile his wish list.
   b. Shop for Deals

2) GRIP/ELECTRIC PKG.
   a. DP will compile his lighting wish list.
   b. Gaffer and Key Grip make their lists.
   c. Include Expendables
      i. These are items that cannot be returned.
      ii. Gaffer’s tape, Gels for lights, etc…

3) 1st AD
   a. Hire one that comes highly recommended (extremely important)
   b. Create schedule for Principal Photography
      i. Include Day-out-of-Days
      ii. Revise regularly

4) LOCATIONS
   a. Schedule Scouts – Director, Line Producer
   b. Tech Scouts – Director, Line Producer, and all Dept. Heads

5) COMPLETE HIRING:
   a. Catering
   b. Craft Service
   c. Script Supervisor
   d. AD crew
   e. Camera Crew
   f. Sound
   g. Grip/Electric
   h. PA’s
   i. Transportation
   j. Mechanical Effects team
   k. Security – guard the trucks, equipment, sets, etc…
   l. Extra Mngment/Casting Co.
   m. Stand-ins
   n. Interns - How are they being handled?

6) INSURANCE
   a. Production Insurance
      i. Truman Van Dyke is one of the best for this
      ii. Kent Hamilton is the best…
   b. Workers Comp (State Workers Compensation Fund)

7) LEGAL-check in w/ Attorneys for specific requirements
L: PRE-PRODUCTION

8) SCRIPT CLEARANCE
   a. This is one of the first things some companies do before committing big dollars into a production.
   b. They want to know what potential claims, if any, there may be against this property, what rights need to be tied up, etc…

9) ACCOUNTING
   a. Hire PRODUCTION ACCOUNTANT
   b. Determine method of Accounting

10) PAYROLL CO. – ENTERTAINMENT PARTNERS is the best for this…
    a. also a sponsor of the NexTV Web Series and Short Film Competition
    b. Ask for Rich Guay and tell him that Randy Becker sent you…can’t hurt.

11) INSTITUTE CHECK PROCESSING SYSTEM
    a. All purchases must be approved by YOU.
       i. Advise crew to get PRE-approval whenever possible.
       ii. For low budget films it is important to be clear about standardized allowances or you’ll end up depleting the budget on trips to
           1. Lunch in the field: $5
           2. Dinner in the field: $10
           3. Gas: only for production-related mileage
           4. You will be providing lunch and dinner on the set, however, you will be sending people on ‘runs’ throughout the entire production.
    b. No immediate turn-around on P.O.’s
       i. Minimum of 48 hour turn-around.
       ii. To ensure that there are no overpayments, no P.O. paid until cross-referenced with budget and cash flow reports.
    c. Communicate the policy to crew. No exceptions.
    d. IT IS ESSENTIAL TO MAINTAIN A TIGHT CONTROL OVER THE BUDGET, as there are many, many people spending money and you will be held responsible for overages.
    e. There is nothing worse than having to raise money in the middle of a production…well, a few things worse, but it’s not fun.

12) CRAFT SERVICE approach?
    A. The Craft Service table is an important way to keep morale up and energy focused.
    B. This is where snacks and drinks are set out for the cast and crew to enjoy.
    C. Be clear on how you want/expect this to be manifested
       I. Some hire trucks
       II. Some simply go to Costco and buy some junk food.

13) Begin Set Construction: Does ART DEPT have everything they need?
L: PRE-PRODUCTION

i. Construction Labor Supplies
ii. Specialty props/equipment

14) VAN RENTALS
   a. Rental Company?
   b. What deals can be made?

15) STUDIO TEACHER for the kids (if applicable)

16) PICTURE VEHICLES – vehicles that will appear on camera.

17) ACTORS’ DRESSING ROOMS/TRAILERS

18) MAKE-UP/HAIR ROOMS.
   a. Tables
   b. Mirrors
   c. Everything that's needed inside.

19) POST PROCESS - understand the Post Process
   a. Identify Post-Production facilities
   b. Approach to DOWN CONVERSIONS (if applicable)
   c. Plan for DAILIES –
      i. Where watched?
      ii. How will they get to set and editor?
   d. What is required by Post Supervisor?
While most of the crew deals will be worked out by the Line Producer, the casting director is responsible for communicating your/the production team’s wishes to the actors’ representatives. In some cases, however, it is required that you be directly involved in hammering out the bro-strokes of the deal.

Below are the basic points that need to be addressed:

1. Compensation – some possibilities (remember to add payroll tax and Pension Health contributions for union actors)
   a. Flat rate (negotiated)
   b. Schedule F ($65,000 flat rate)
   c. SAG scale - weekly
   d. SAG scale - daily

2. Back-end (if applicable)
   a. Gross participation (a percentage of every dollar that is generated by the production).
   b. Net participation (a percentage of the profits…usually this amounts to zip, zero, zilch).

3. Billing
   a. Single/Shared card?
   b. Main/End titles?
   c. Position

4. Accommodations (if applicable)

5. Perks package (if applicable) – many marquee actors require significant perks packages.
   a. Plane tickets for family
   b. Rental cars
   c. Gym memberships
   d. Pink M&Ms scattered in boxer shorts…whatever it may be.

6. Approximate Start Date

7. Length of commitment
N: PRINCIPAL PHOTOGRAPHY

Once a film is actually shooting (principal photography), many of the day-to-day tasks of production are being tended to by the Line Producer, Unit Production Manager, 1st AD, and the rest of the film crew. Your major function will be to oversee the process and make sure everything is running smoothly. There may be stretches of time where there is little to do. That being said, it is essential for a producer to be on set at all times to put out the “fires” that inevitably will flare up on a regular basis. Being aware of specific problems in each department as well as the general morale on set will help determine the adjustments that need to be made as the shoot unfolds.

As production requires long hours and an incredible dedication from every person on set (and off), it is essential to instill in everyone a sense of ownership over the project. A system needs to be put in place that encourages individual initiative and creativity, while supporting the integrity of the director’s vision.

1. Begin each day with a full walk-through of the day w/ all department heads.
   a. This allows each department to anticipate the day’s tasks.
   b. This structure gives department heads the freedom to take initiative.
      i. Every second costs you money, so this can be very valuable.
      ii. Regardless of your director’s ability to multi-task, this will keep department heads from having to stand around and wait for their next set of marching orders (slow and bad for morale).

2. Weekly cash-flow reports
   a. Line Producer should provide a weekly accounting of all expenditures.
   b. A “Cash-flow meeting” should occur weekly, to keep you fully informed.

3. Weekly Production meetings
   a. Brief coming together of department heads to discuss challenges, air differences and address possible adjustments/reforms.
   b. Brief individual meeting w/ each department head.

4. Stay on top of Script Changes: As we often work with writer/directors, the regular protocol for making script changes is often ignored.
   a. At the end of every day: meet w/ Script Supervisor, 1st AD and Director to discuss any changes that were made.
   b. Address future script changes needed to accommodate schedule.

5. NEXTV is always looking to assess, improve and refine its method of making films. Two questionnaires have been created to serve this purpose, and to encourage everyone’s personal involvement in the filmmaking process.
   a. The first, TWO WEEKS IN, is to be handed out to everyone on set at the end of the second week of principal photography.
   b. The second, THINGS ARE COMING TO AN END, should be handed out one week before principal photography has been completed.
TWO WEEKS INTO PRODUCTION

…Some Questions…

1. Are you having fun?

2. What is your personal goal in doing this film? What are the challenges you are confronting in meeting it?

3. Are you being provided with the tools to enable you to perform at your optimum level? If not, what could be done differently?
4. Is there a clear chain of command established and is it effective in handling challenges?

5. If you were a producer on this film, what would you do differently?

6. Have you read the script? If so, what are your thoughts on it?
THINGS ARE COMING TO AN END

…Some Questions…

1. Did you have fun?

2. Were your concerns adequately addressed after the first questionnaire (week 2)?

3. Do you feel that you were provided with the tools to enable you to perform at your optimum level? If not, what could have been done differently?
N: PRINCIPAL PHOTOGRAPHY

4. If you were a producer on this film, what would you have done differently?

5. Are you aware that NexTV (you) is always looking for great material to bring to life? Is there a writer or piece of material we should be introduced to?
DELIVERY

It is essential to have all necessary paperwork (clearances) signed and filed before the film is completed. It is very difficult to sell the film without the necessary paperwork. The Document Checklist will help keep track of this.

These days, it is not necessary to spend the money on some of the ‘big-ticket’ delivery items that a distributor may require. I certainly wouldn’t bother converting the project to 35mm (assuming you shot it on video), even if your aspirations for it are for a theatrical distribution.

If you are able to work some of the more expensive delivery requirements into the production budget, it could save you some money in the end, but, again, it is not necessary.

What a distributor will require, aside from your masters, all relevant paperwork, stills from the set and all media that accompanies the project, is an Errors & Omissions Insurance policy (E&O), close-captioning and an MPAA rating. In total, that could cost you well over $10,000 (E&O taking up nearly all of that cost). Most distributors will pick up the cost, but take it out of any advance they would pay you for the film. Or they may simply collect the money from the film’s revenue. E & O protects everyone involved from being sued for any intellectual property rights. We shot a film, for example, where there was a painting in the background of a scene (we had cleared it with the owner of the painting). The actual painter saw the film and threatened to sue the production. The insurance policy paid him off. Without E & O insurance there can be no sale of the film.
P: FINAL DOCUMENT CHECKLIST

DOCUMENT CHECKLIST

I. OPERATING AGREEMENT

II. CHAIN-OF-TITLE DOCS.

III. TALENT DEALS
   a. Actors (stars w/ long negotiated deals)
      i. Deal memo
      ii. SAG form
      iii. Long form
         1. Loan-out documents
         2. Certificate of engagement/authorship
         3. Service Agreement
      iv. Payroll Documents
   b. Actors (w/ simple deals)
      i. Deal Memo
      ii. SAG Documents
      iii. Payroll Documents
      iv. Certificate of Authorship/Engagement/Results & Proceeds

IV. WRITER DEAL
   a. Purchase agreement/Option
   b. Loan out
   c. Certificate of Authorship

V. DIRECTOR DEAL
   a. Purchase agreement/Option
   b. Loan out
   c. Certificate of Authorship

VI. PRODUCER DEALS
   a. Purchase agreement/Option
   b. Loan out
   c. Certificate of Authorship

VII. SAG – ALL DOCUMENTS (Exhibit G’s, etc…everything you gave to them)

VIII. WGA – ALL DOCUMENTS

IX. DGA – ALL DOCUMENTS (If applicable)

X. CREW DEALS (include CASTING DIRECTOR all POST AND MUSIC,…)
   a. Deal memo
   b. Certificate of Authorship
P: FINAL DOCUMENT CHECKLIST

c. Payroll Docs. (1099 or W4)

XI. EXTRAS
a. Deal memo, if applicable
b. Likeness/Image Agreement
c. Payroll docs. (W-4 or 1099, if applicable)

XII. LOCATION AGREEMENTS

XIII. INVESTOR AGREEMENTS
a. Letter
b. Sales Agreement (if applicable)

XIV. PROMISORY NOTES

XV. PAYROLL DOCUMENTS

XVI. POST AGREEMENTS

XVII. INSURANCE DOCUMENTS

XVIII. MAIN TITLES/END TITLES
a. CAST CREDIT LIST
b. CREW LIST
c. SCREEN ACKNOWLEDGEMENTS

XIX. VENDOR LIST

XX. P.O. BOOK (from Line Producer)

XXI. CHECK REGISTER

XXII. ATTORNEY AGREEMENTS

CONFIDENTIAL: FOR YOU ONLY

I. CAST LIST W/ NUMBERS
II. CREW LIST W/ NUMBERS
III. VENDOR LIST W/ NUMBERS
SELLING YOUR FILM

Hopefully you have done what you can to create a package that is truly relevant to buyers. Either way, when the film is completed you have a few options for how to proceed.

I’m going to assume that you’ve shot a feature film. If you’ve shot a short, a webisode, a documentary or any kind of pilot presentation, you should SUBMIT IT TO NexTV’s Web Series and Short Film Competition…I get to plug the competition when I’m giving material away for free, right?! It is extremely difficult to find a monetary value in a one of these types of projects, but they can be EXTREMELY valuable as ways to pitch larger ideas or simply as your calling card to the top circles of the industry. Produced content is king. Being able to see an idea on its feet is an extremely valuable thing, and studios and networks are all scouring YouTube for that next great idea…it could be yours.

In some cases when using your film as the basis for a pitch, it can be extremely helpful to cut your film down to a 1 minute trailer of sorts, taking the most powerful images to give us a sense of the story, the world, the characters. If they want more you can show them the rest of the work, then pitch the idea that it grew out of.

The following is my commentary on a few paths to take when trying to sell your FEATURE FILM. Begin by identifying the potential buyers for your ‘product’. It’s ‘your baby’ to you, it’s a film to you, it’s something you have poured your heart and soul into for well over a year to you…it’s potential PRODUCT to people in the industry who sell movies for a living! If you can’t divorce yourself from the emotions associated with putting your film out there in the marketplace, if you can’t have a clear objective sense of your film, bring someone in who can and does.

The festival circuit can be a load of fun and, depending on which one you screen at, very effective at getting your film in front of relevant buyers. Go for the big ones with markets, maybe a few others, but make sure you are targeted with this…you could end up spending thousands on entry fees…festivals like Sundance, Slam Dance, Toronto, Cannes, Tribeca, Telluride, Berlin, South by SouthWest and some others can be extremely helpful, but very difficult to get into (politics being just one of the factors). I wouldn’t build my entire strategy around the festivals. You can get the film to buyers on your own. A sales rep is helpful, even though they charge a significant commission, but getting a sales rep may be as difficult as getting a distributor in some cases…BE YOUR OWN SALES REP!

1. Identify the films out in today’s marketplace that are similar in genre, tone, may have some of the same actors of note, may appeal to the same demographic, etc…?
   a. Distributors have customers as well (buyers). They brand themselves by choosing material that works for THEIR buyers.
   b. No use sending a horror film to a company that sells soft dramas.
      Companies have a somewhat diverse slate, but it must include your kind of film or you may be wasting your time.
Q: CONTRACTS

2. Look the films up on IMDB and find out who distributed them (theatrically, domestic home video, foreign, etc...).

3. Compile a list of distributors that are appropriate for YOUR film.

4. Make contact with each distributor and ask what the essential elements for a film they’ll take on are.
   a. Don’t mention your film yet.
   b. Compile the data on a spreadsheet.

5. Know that many distributors sell their films based on the poster alone.
   a. Buyers know that audiences make decisions based on posters
   b. Who is on the poster is key, but other elements can play a role too.
   c. No matter how good you think your movie may be, you need to increase your chances of a sale in every way (competition is unfathomably stiff).

6. Create a poster that you can imagine hanging up in a movie theater.
   a. You can use this same artwork for the DVD cover.
   b. Create a package that might convince a distributor that your film can be marketed effectively.
      a. Many sales reps sell movies based on movie posters alone…and who is on them.
      b. It may be worth investing in an artist who can help out.

7. Get the distributors in a room to watch your movie!
   a. If you send them a screener, they will look at the package (who is in it, etc...), look at the genre, then watch a few seconds of it to see if it holds up, then a few more if it does.
   b. Festivals are effective because buyers know that there are other buyers in the room as potential competition. They also have to sit through much more of a film when it’s in a theater, giving it a chance to grow on them.
   c. YOU MUST CREATE AN EVENT that entices multiple buyers to come out to see the screening. Again, BE CREATIVE.
      i. Maybe it is part of an evening with performance, a lecture series, a wine-tasting, or some sort of benefit…make it a poker tournament if need be…just get them out to see the film.
      ii. Find a way to convince an exec at one of your targeted companies to come to the screening, and, in general, if you have no marquee talent in the film, just inviting them will not be enough.

8. Then the rest is about perseverance. You may find that there is no market for your film…now. Keep sending it out, hosting events, and so on until you get a bit.
   a. There are a load of ancillary markets to explore from the many television networks (cable and free), DVD, and so on…
9. IF YOU DON’T GET DISTRIBUTION, you can still mine value from the film.
   a. Some people may find this strange or even heretical, but if your goal (beyond being a celebrated filmmaker) is to make some money back for your investors…examine your film from a purely pragmatic perspective:
      i. You have produced content…it costs money to create produced content...
      ii. Can you re-imagine your film or grab bits and pieces of it?
      iii. Can you serialize it, breaking it into installments for the web, for cell phones, etc…?
      iv. Can you be useful for someone’s website? Corporations pay big money for produced content.
      v. Can parts of it be transformed to directly promote a product or simply used as content for a website in need of a way to entertain it’s members?

THERE IS VALUE IN YOUR FILM…if you can stand to let it go.

On the other hand, we sold 6 films, a few years ago that had been sitting on the filmmakers’ shelves for between 5 and 10 years. We had developed a relationship with a company that was providing content for Warner Brother’s Home Video and Video-On-Demand. They had to fill 32 slots and simply couldn’t find enough content that matched what they were looking for. The filmmakers did not make a lot of money from the deals, but their work was in Blockbuster, was distributed on demand; that had value for these filmmakers.

Note: It’s important to understand that in most cases, a theatrical distribution does not make monetary sense. It costs a lot to get a film in theaters and promoted properly, so unless the film and conditions surrounding it are right, it may not happen. If you have tried for some time to get a theatrical distribution, it may be wisest to set your sights on simply getting the investors their money back with a DVD sale, a TV sale, foreign territories and whatever else you can cobble together. You may lose your opportunities for those deals if you wait too long…if your film is in the marketplace for too long.

Ex: We made a movie a few years ago with a few actors that had value in the marketplace. It was a soft drama and a first effort for the filmmaker. We put together a screening with nearly all of the top theatrical distributors in town. None bought it. We did, however, get a nice offer for a DVD sale and for it to be an original movie on a particular cable network…the filmmaker and one of our producing partners couldn’t let go of their theatrical aspirations. We tried some more and by the time we had to go back to the DVD and television companies, their offers were SIGNIFICANTLY reduced…50% less.
Q: CONTRACTS

I pass this information on to you and hope that you process it for whatever it is worth, then go out and learn the lessons yourself. My experiences may not be relevant to everyone.

Best of luck!

Randy Becker
Q: CONTRACTS

Here are sample contracts for Writers, Directors, Producers, Actors, Crew, Post-production facilities, etc. While each production will vary, these templates are helpful points of reference.

I cannot stress enough, however, how important it is for you to get an attorney to review all of your paperwork. I am not an attorney and, while these documents were created by an attorney, they were drafted for specific productions, each having specific parameters. Documents and portions of documents and portions of sentences in documents can come back to haunt you and, if you are not careful…WILL.

A great way to save money on attorney fees is to come to terms on the major deal points and possibly even work them into a document, using a template (after you have educated yourself on what these documents truly mean)...THEN, hand it all off to your attorney to look at. They can mark it up without having to recreate it all. I leave it to you. The following sample contracts are for you to see examples of the kinds of contracts you will need to be dealing with.
SCREENPLAY OPTION/PURCHASE DEAL MEMORANDUM

This Screenplay Option/Purchase Agreement Deal Memorandum (“Agreement”) is entered into as of ___________, by and between __________________ (“Producer”) _______________ (INSERT ADDRESS) fax: _________ and ______________ (“Writer”) with an address at ____________________________, regarding an original draft screenplay entitled “TITLE” (the “Screenplay”) written and owned solely by Writer. Writer referred to herein as “Owner”.

1. OPTION.

1.1 Grant of Option. For good and valuable consideration as set forth in paragraph 2.1 Owner hereby irrevocably grants to Company the sole and exclusive option to acquire all of Owner’s right, title and interest in and to the Screenplay, throughout the universe, in perpetuity, without limitation, restriction or reservation of any kind whatsoever (hereinafter referred to as the “Option”) for the Purchase Price, as defined in paragraph 2.2.

1.2 Option Term. The term within which Company may exercise its Option (“Option Term”) shall commence upon the date hereof and continue until the date that is 12 months from execution of this Agreement by Owner.

1.3 Exercise of Option. During the Option Term, Company may exercise its Option by either (i) providing written notice thereof to Owner or (ii) commencing principal photography of the first motion picture or other production based on the Screenplay (the “Picture”), whichever first occurs. Upon exercise of the Option, Company shall pay Owner the Purchase Price as set forth in paragraph 2.2 below.

1.4 Development Activities. During the Option Term, Company may perform any and all customary development and/or pre-production activities. Provided, however, Owner shall be entitled to prior, written approval of any other writers which Company may wish to engage to do rewrites and/or revisions of the Screenplay. In addition, Owner and Company shall have mutual approval over any changes to the Screenplay, provided that if Company and Owner cannot reach a decision after making good-faith attempts to do so for at least forty-eight (48) hours, then Company’s decision with regards thereto shall be final. Company will have the right to enter into development agreements in connection with the development and pre-production of the Picture, as Company may deem necessary or desirable in its sole discretion.

1.5 Failure to Exercise Option. Should Company fail to exercise its Option, Company shall have no further right, title or interest whatsoever in or to the Screenplay including without limitation any and all rights in and to any material created or developed by or for Company in connection with the Picture during the Option Term,
which material shall be deemed automatically assigned to Owner. In this regard, Company agrees to execute customary documentation substantiating same.

1.6 Reversion After Purchase. In the event Company exercises the Option but fails to commence production of the Picture within Ninety (90) days after exercising the Option, upon Owner’s written notice to Company, Company shall commence production within fourteen (14) days of Owner’s notice and if Company shall fail to do so, rights in the Screenplay shall immediately revert to Owner, subject to Owner repaying the Purchase Price actually paid by Company to Owner no later than the commencement of principal photography of a third party motion picture based upon the Screenplay. In this regard, Company agrees to execute customary documentation substantiating same. The parties acknowledge and agree that Company, its affiliates or any assignee or licensee of Company’s rights in connection with the Screenplay pursuant to this Agreement shall be subject to Owner’s reversion rights set forth in this paragraph 1.6 and to the extent this paragraph 1.6 contains terms more favorable to Owner than those contained in the then current WGA MBA provisions regarding “Writer’s Right to Reacquire Literary Material”, the terms of this Agreement shall govern.

2. CONSIDERATION.

2.1 Option Consideration. In consideration of the Option herein granted by Owner to Company, Company shall pay Owner the sum of One Dollars ($1) which sum shall be payable upon Owner’s execution and delivery of this Agreement to Company. Any sums paid pursuant to this paragraph 2.1 shall be deemed an advance against and be applicable towards any monies due or payable to Owner pursuant to paragraph 2.2.

2.2 Purchase Price. In the event that Company exercises its Option pursuant to paragraph 1.3 (which exercise shall in any event occur not later than the commencement of principal photography of the Picture), Company shall pay Owner a sum equal to two and one half percent (2-1/2%) of the budget of the Picture, payable concurrently with the exercise of the Option.

2.3 Box Office Bonus. In addition to the Purchase Price set forth above, and provided Owner is not in material breach hereof, Owner shall be entitled to a bonus based on domestic box office receipts for the Picture (“Box Office Bonus”) as follows. As used herein, “Domestic Box Office” means the domestic receipts for the Picture as reported in Daily Variety’s weekly “Box Office” chart. When the Domestic Box Office reaches Twenty Million Dollars ($20,000,000), Owner shall be entitled to a Box Office Bonus payment of Fifty Thousand Dollars ($50,000). Also, for each additional whole multiple of Five Million Dollars ($5,000,000) in excess of Twenty Million Dollars ($20,000,000) in Domestic Box Office receipts, Owner shall be entitled to an additional Box Office Bonus payment of Fifty Thousand Dollars ($50,000).

2.4 Contingent Compensation. In addition to the Purchase Price, Box Office Bonus set forth above and provided Owner is not in material breach hereof, if Writer receives sole screenwriting credit Owner shall be entitled to a profit participation
in an amount equal to Five Percent (5%) of One Hundred Percent (100%) of the Net Profits derived from the exploitation of the Picture, or if credit is shared, Two and One-Half Percent (2-1/2%) of One Hundred Percent (100%) of such Net Profits, to be defined, accounted for and paid in accordance with Company’s standard definition thereof, subject to good faith negotiations, provided that “Net Profits” hereunder shall be defined, accounted for and paid no less favorably with respect to Owner than with respect to Company or any third party in connection with the Picture.

2.5 Additional Compensation. In the event that Company, if ever, assigns its interest to any third party, assignee will assume Company's executory obligations to Owner hereunder in writing, Company shall be released, to the extent of such assumption, from its obligations hereunder to Owner. The assignment fee to be paid upon such assignment will be FIVE THOUSAND DOLLARS ($5,000.00).

3. GRANT OF RIGHTS TO PURCHASER. Upon Company’s exercise of the Option, Owner conveys, grants and assigns exclusively and irrevocably to Company, forever and throughout the universe, all right, title and interest in and to the Screenplay, and Company shall have the sole, exclusive and unrestricted right to own and exploit the Screenplay and to develop, create, produce, exhibit, distribute and exploit an unlimited number of productions and derivative works based thereupon, in any and all media throughout the universe in perpetuity, whether now known or hereafter invented, discovered or coming into existence, and without limitation, Company’s rights shall include:

3.1 All motion picture rights, all television rights, all video rights, all multimedia and on-line rights, all merchandising, commercial tie-in or ancillary rights, all sound recording, soundtrack and music publishing rights, all publication rights including without limitation novelization, print and electronic publishing, and any and all other now or hereafter existing rights of every kind and character whatsoever pertaining to the Screenplay throughout the universe, whether or not said rights are now known, recognized or contemplated;

3.2 Without limitation, Company shall have the full, sole and exclusive right to develop, create, produce, exhibit, broadcast, disseminate, transmit and exploit an unlimited number of motion pictures, derivative works and other productions based upon the Screenplay or any part or element thereof, with or without sound recorded synchronously therewith, including without limitation remake, sequel and prequel motion pictures, television programs, series, specials and spin-offs, and multimedia and on-line productions of any kind or nature, in any and all sizes, gauges, forms and formats and by any and all media, means, methods, modes, techniques and devices, including without limitation theatrical, non-theatrical, television, videocassettes, videodiscs, VHS, CD-format discs, DVD, computer media, video-on-demand, on-line services, internets, intranets, interactive television, Web-TV, distributed computer networks, Hertzian waves, satellite, microwave, telephone, cable television or digital networks or fiber-optic means and/or any other electronic, mechanical, optical, laser-optical, magnetic, holographic or any other audio-visual means, methods, devices and techniques whether
now known or hereafter devised;

3.3 Company shall have the unrestricted right to use, adapt, translate, dub, rearrange, subtract from, add to, modify and change the Screenplay, or interpolate other material therein, or any part thereof, and to combine the Screenplay in any manner with any other work or works in the making of motion pictures, productions or the exercise of Company’s rights, and Owner waives all rights of droit moral or similar rights in connection therewith;

3.4 Owner grants to Company the perpetual right to use, display and reproduce, and license others to use, display and reproduce, the name, approved biography, and approved likeness of Owner in connection with any services Owner may perform hereunder, or in connection with the advertising or exploitation of the Screenplay, any motion picture, productions or other rights of Company hereunder; and

3.5 Any and all other now or hereafter existing rights of every kind and character whatsoever pertaining to the Screenplay throughout the universe, whether or not said rights are now known, recognized or contemplated. Owner’s grant of rights in this Agreement is irrevocable and without right of termination or rescission by Owner and shall not be affected by the termination or expiration of this Agreement.

3.6 If the present copyright law of the United States or any country where the Screenplay is or may hereafter be protected shall be amended or changed, or a new copyright law enacted, so that the term of copyright protection is extended, enlarged or created, Company shall be entitled to all of the rights hereby conveyed, granted and assigned to Company for such extended, enlarged or created term of copyright protection.

4. WARRANTIES, REPRESENTATIONS AND AGREEMENTS:

4.1 Warranties and Representations:

4.1.1 Owner’s Warranties and Representations: Subject to Article 28 of the WGA MBA, Owner hereby represents and warrants that: (i) Owner is the sole author of the Screenplay. The Screenplay is wholly Owner’s original work. To the best of Owner’s knowledge, the Screenplay does not violate, conflict with, or infringe upon any rights whatsoever (including without limitation any copyright, common law, statutory, publication, performance, or any other right, and any right against libel, slander, invasion of privacy, unfair competition, right of publicity or any similar right) of any person, firm or corporation; (ii) There are no encumbrances, adverse claims or litigation with respect to the rights to the Screenplay or Owner’s title in the Screenplay; (iii) Owner has the full and sole right, power and authority to enter into and perform this Agreement, is the sole and exclusive owner throughout the world of the rights herein granted to Company and has the right to grant such rights exclusively to Company; (iv) There is not now valid or outstanding, and Owner will not hereafter grant, any right in connection with the Screenplay which is or would be adverse to, or inconsistent with, or impair the rights herein granted to Company, and Owner has not entered into any other agreements.
with respect to the Screenplay or otherwise disposed of any rights therein; (v) Except as expressly set forth herein, there are no encumbrances or sums owing to any third parties in connection with the Screenplay and Company shall have no obligation whatsoever to make payments of any kind or nature in respect thereof; and (vi) The Screenplay has not been published in the United States. The Screenplay is protected by copyright in the United States and in all countries which are signatory or adhere to the Berne and Universal Copyright Convention, and is not, except for minor and incidental material, in the public domain anywhere in the world.

4.1.2 Company’s Warranties and Representations: Company hereby represents and warrants that it is a WGA signatory and that this Agreement is governed by and subject to the WGA MBA.

4.2 Indemnities:

4.2.1 Owner indemnifies, defends and hold harmless Company against any loss, claims, costs or actions in connection with a breach of Owner’s warranties, representations and agreements herein;

4.2.2 Except to the extent that Owners indemnity, above, applies, Company indemnifies, defends and holds harmless Owner against any loss, claims, costs or actions in connection with a breach of Company’s warranties, representations and agreements herein and in connection with the development, production, exploitation and exhibition of the Picture, any elements related thereto and any material added to the Screenplay by Company or at its request.

4.3 Remedies: The rights and remedies of Owner in event of breach of this Agreement shall be limited to the right, if any, to recover damages in an action at law, which remedy Owner hereby acknowledges to be adequate, and in no event shall Owner be entitled by reason of any such breach to terminate this Agreement, and Owner shall not be entitled to and hereby waives the right in such event to equitable or injunctive relief or to enjoin, restrain, or otherwise interfere with the production, distribution, exhibition, or other exploitation of any motion picture, television production or other product of the Screenplay produced hereunder. Company shall not be liable for the breach of any of its undertakings hereunder unless it receives written notice from Owner of such breach and then fails to correct the breach within ten (10) business days after Company’s receipt of such notice.

5. CREDITS.

5.1 Company shall accord Writer on screen and paid ad credit subject to and in accordance with the terms of the WGA MBA then currently in force.

5.2 Company shall contractually obligate third party’ licensees to comply with the credit provisions hereof.
5.3 No inadvertent failure of Company or of any person other than Company to comply with the provisions of this paragraph shall constitute a breach of this agreement by Company. Company agrees to exercise reasonable efforts to prospectively cure any such failure to comply with the credit obligations hereof, after written notice from Owner.

6. FURTHER ACTS. Owner agrees to perform such further acts consistent herewith and execute, acknowledge and deliver such additional instruments or documents consistent herewith, after being afforded a reasonable opportunity to review and negotiate same, which Company may reasonably deem necessary or desirable to evidence, effectuate, confirm, protect, or carry out any of the provisions of this Agreement. In connection therewith, Owner shall execute and deliver to Company the Short Form Option attached hereto as Exhibit “A” and the Short Form Assignment attached hereto as Exhibit “B” and all incorporated herein by reference. The Assignment shall remain undated and shall not be of any force or effect unless and until Company exercises the Option, at which time Company shall fill in the date of such exercise and the Assignment shall be fully empowered. In the event Owner fails to comply with Company’s written request after being afforded a reasonable opportunity to review and negotiate same, Company is hereby irrevocably appointed, as a power coupled with an interest, Owner’s attorney-in-fact and shall have the right to do such acts and execute such documents on Owner’s behalf as may be required hereunder. Company shall promptly provide Owner with copies of all such attorney-in-fact executed documents.

7. MISCELLANEOUS. (i) No waiver by any party hereto of any term or condition of this Agreement shall be deemed or construed to be a waiver of such term or condition, subsequently, presently or in future; (ii) Company may assign its rights hereunder to any person, firm or corporation, including without limitation to any of Company’s affiliated production companies, subject to the assumption of all of Company’s obligations to Owner. If Company’s assignee is a major or mini-major motion picture company or network and assumes Company’s executory obligations to Owner hereunder in writing, Company shall be released, to the extent of such assumption, from its obligations hereunder to Owner. No assignment hereof by Owner shall be permitted, provided, however that Owner may assign the right to receive compensation hereunder, (iii) No amendment or modification of this Agreement or of any covenant, condition, or limitation herein contained shall be valid unless in writing and duly executed by the parties; (iv) This Agreement, and all rights and obligations hereunder, shall be binding on and inure to the benefit of the parties hereto and their respective heirs, executing, legal and personal representatives, successors, licensees and permitted assigns; (v) This Agreement is executed in and shall be deemed to be performed in Los Angeles County, State of California, arid Owner and Company acknowledge and agree that all of Owner’s writing activities hereunder took place in the United States. This Agreement shall in all respects be governed by and construed in accordance with the laws of the State of California applicable to contracts made and to be entirely performed therein without regard to conflicts of laws principles. The parties specifically agree that the state or federal courts in Los Angeles County, California, shall have exclusive jurisdiction and venue in respect of any and all disputes hereunder; (vi)
This Agreement may be signed in several counterparts, all of which taken together shall form one and the same agreement, and a fax or other electronic transmission of a signature shall be deemed to be an original for all purposes notwithstanding any differences in pagination or format caused by such faxing or transmission; (vii) If a provision of this Agreement is held to be invalid, void or unenforceable by a court of competent jurisdiction, the remaining paragraphs shall continue to be in full force and effect without being impaired or invalidated in any way; (viii) In any action between the parties to enforce any of the terms of this Agreement, or of any other contract relating to the subject matter of this Agreement, the prevailing party shall, in addition to any other award of damage or other remedy, be entitled to reasonable outside attorneys’ fees.

8. ADDITIONAL AGREEMENTS.

8.1 Company shall add Lender and Writer as additional insured to the errors and omissions and general liability insurance policies obtained by Company in respect of the Picture and provide Lender customary evidence thereof.

8.2 Company shall provide Owner one (1) VHS videocassette and one (1) DVD copy of the Picture when commercially available.

8.3 Sequels, etc.

8.3.1 First Negotiation. In the event that Company or its assignee, successor or licensee, wishes to develop a sequel, prequel, remake or television production based upon the Screenplay or the Picture (“Subsequent Production”), Company shall afford Writer an exclusive 30-day first negotiation period during which Writer and Company shall negotiate in good faith with respect to Writer’s services in connection with each such Subsequent Production, or any production which is a sequel, prequel, remake or television production based upon a Subsequent Production. Provided that Company’s initial offer to Owner with respect to any such Subsequent Production shall not be less favorable with respect to the Purchase Price, the Box Office Bonus and the Contingent Compensation than as set forth herein with respect to the Screenplay. Provided, further that, if the parties do not reach an agreement during such 30-day exclusive negotiation period Company shall be at liberty to engage other parties to provide writing services in connection therewith. Such right of first negotiation shall be a so-called “rolling” right.

8.3.2 Sequels and Remakes. In the event that Company, or its assignee, successor or licensee produces a Subsequent Production, and Writer does not provide services in connection therewith, upon commencement of principal photography of any such Subsequent Production:

(a) For any sequel produced, Company shall pay to Owner an amount equal to one-half (1/2) of the Purchase Price, the Box Office Bonus and the Contingent Compensation paid to Owner by Company pursuant to paragraphs 2.2, 2.4, 2.5 and 2.6 hereof;
(b) For any remake produced, Company shall pay to Owner an amount equal to one-third (1/3) of the Purchase Price, the Box Office Bonus, the EP Fee and the Contingent Compensation paid to Owner by Company pursuant to paragraphs 2.2, 2.4, 2.5 and 2.6 hereof.

8.3.3 Television Programs. For any television program(s) produced, Owner shall receive per-program or per-episode payments for each program or episode actually produced as follows:

- (i) Up to 30 minutes - $2,250;
- (ii) 31 to 60 minutes - $3,000;
- (iii) More than 60 minutes - $4,000;
- (iv) MOW - $10,000 per episode capped at $100,000, and one hundred percent (100%) of Owner’s first run royalty for the first five reruns of a program paid over the first five such reruns.
- (v) One-half (1/2) of the amounts set forth in Subclause 8.3.3(i), (ii) and/or (iii), as applicable, for spin-offs or planted spinoffs;
- (vi) If any MOW produced hereunder is subsequently made into a feature film, then Owner shall receive compensation on a standard “100-50-50” formula in connection therewith.

8.4 Notwithstanding any other provisions hereof, in the event of a default by Owner hereunder, Owner shall have a cure period of seventy-two (72) hours, from the time of Company’s notice of default to cure same.

8.5 Payments hereunder shall be sent to Owner’s address set forth above. Any notices, documents, statements or other writings (collectively referred to herein as “Notices”) required or desired to be given hereunder shall be in writing and shall be sent to the parties hereto at their addresses stated above, or to such other address as Company or Owner may hereafter designate in writing in the manner provided above, and shall be sufficiently given by personal delivery, by faxing (provided there is confirmation of receipt), or by mailing the same in a postage prepaid wrapper addressed to the other party as aforesaid, and the date of such delivery, or faxing, or three days following such mailing, shall be the date of the giving of such Notices.

8.6 Provided that Writer is not in material breach or material default of Writer’s obligations hereunder, Company agrees to invite Writer and three (3) guests to the first East or West Coast celebrity premiere. Company shall reasonably request the Picture’s distributor provide first class travel and accommodations to Writer; however, unless such is provided for principal cast, no travel or accommodations shall be provided by Company regarding such premiere.
9. DEAL MEMO ONLY. This is a Deal Memo only, and the parties contemplate entering into a longer form Screenplay Option Purchase Agreement, which shall be subject to good faith negotiations, containing all the terms and conditions customarily contained in such agreements, provided, however, that when signed by parties, and until and unless superseded by another written agreement between the parties, this Agreement sets forth the agreement between the parties with respect to the subject matter hereof.

“Owner”

________________________
Writer Name

Date signed: _____________

“Company”

NexTV Entertainment, Inc.

By: _______________________
Its: _______________________

EXHIBIT “A”

SHORT FORM OPTION AGREEMENT

KNOW ALL PERSONS BY THESE PRESENTS: that for good and valuable consideration, receipt of which is hereby acknowledged, the undersigned __________ does hereby irrevocably grant to NexTV Entertainment, Inc (“Company”), its representatives, successors, licensees and assigns, the exclusive and irrevocable right and option to purchase and acquire from the undersigned all right, title and interest, including but not limited to the sole and exclusive motion picture, television, video, and other ancillary rights, throughout the universe, in perpetuity, in and to that certain original screenplay written by the undersigned, entitled “Title” including all contents thereof, all present and future adaptations and versions thereof, and all themes, stories, titles and characters thereof, and in and to the copyright thereof, and all renewals and extensions of such copyright.

The option herein granted may be exercised by Company, or its representatives, successors, licensees or assigns as provided in that certain Screenplay Option/Purchase Agreement dated as of __________, 2005 between Company and the undersigned, and this Short Form Option Agreement is expressly made subject to all of the terms and conditions of the said Option/Purchase Agreement, all of which are incorporated herein by reference.

Dated as of __________, 2005.

“Owner”

________________________

Writer Name

“Company”

NexTV Entertainment, Inc.

By: _____________________

Its: _____________________
State of California )
) ss.
County of Los Angeles )

On _____________, 2005, before me, the undersigned, a Notary Public in and for said County and State, personally appeared ______________, personally known to me or proved to me on the basis of satisfactory evidence to be the person who executed the within instrument.

WITNESS my hand and official seal.

________________________________________
NOTARY’S SIGNATURE
EXHIBIT “B”

SHORT FORM ASSIGNMENT

KNOW ALL PERSONS BY THESE PRESENTS: that for good and valuable consideration, receipt of which is hereby acknowledged, the undersigned, ____________________(collectively “Owner”), hereby irrevocably grant, transfer, and assign to NexTV Entertainment, Inc. (“Company”), and Company’s representatives, successors, and assigns, the sole and exclusive right, title and interest, without exception, including, without limitation, all motion picture, television and certain allied and incidental rights, throughout the universe, in perpetuity, in arid to the original screenplay written by Owner entitled “Title” and any other literary material now or hereafter created or owned wholly or in part by Owner based thereon, including, without limitation, all now existing and hereafter created titles, themes, ideas, stories, contents, dialogue, characters, artwork, visual images, issues, adaptations, and other versions thereof, and in and to the copyright thereof and of any productions produced by Company which are based thereon or derived therefrom and all renewals and extensions of such copyright(s).

Owner and Company have entered into or are entering into a formal Option/Purchase Agreement dated as of __________, 2005 (the ‘Agreement”) relating to the transfer and assignment of the rights in and to said literary work, which rights are more fully described in said Agreement, and this assignment is expressly made subject to all of the terms, conditions and provisions contained in said Agreement, all of which are incorporated herein by reference.

IN WITNESS WHEREOF, the undersigned have executed this assignment as of this ____ day of _________, 2005.

“Owner”

_____________________

Writer Name

“Company”

NexTV Entertainment, Inc.

By: _____________________
Its: _____________________

State of California  )
On _____________, 2005, before me, the undersigned, a Notary Public in and for said County and State, personally appeared ________________, personally known to me or proved to me on the basis of satisfactory evidence to be the person who executed the within instrument.

WITNESS my hand and official seal.

________________________
NOTARY’S SIGNATURE
Re: “TITLE”

Dear ______________:

This letter shall serve to confirm that I, ______________ (“Writer”), have read, reviewed and fully understand the “Option/Purchase Deal” agreement for the project currently entitled “TITLE”, dated _________ and the “Certificate of Engagement” for the project currently entitled “TITLE”, dated _________, between NexTV Entertainment, Inc. (“Producer”) and Writer, in connection with my writing services for the motion picture project currently entitled “TITLE” (“Picture”). I hereby acknowledge that Producer has advised me to seek independent legal counsel before signing any and all Agreements.

I have entered into aforementioned Agreements by my own volition.

Very truly yours,

Writer Name

AGREED & ACCEPTED:

________________________

Writer Name

YOUR NAME
By:____________________________

Its: __________________________
"TITLE"

CERTIFICATE OF ENGAGEMENT

NexTV Entertainment, Inc. ("Producer"), whose address is __________________________ has engaged _________________ ("Writer"), Social Security # __________, whose address is _________________, to furnish writing, labor and other services in connection with the motion picture presently entitled “TITLE” ("Picture").

For good and valuable consideration of one (1) dollar, receipt of which is hereby acknowledged, Writer hereby acknowledges, certifies and agrees that all results and proceeds of every kind of services heretofore and hereafter to be rendered by Writer in connection with the Picture, including without limitation any performance by Writer and all ideas, suggestions, themes, plots, stories, characterizations, dialogue, titles and other material, whether in writing or not in writing, at any time heretofore or hereafter created or contributed by Writer which in any way relate to the Picture or to the material on which the Picture will be based (collectively, "Material"), are and shall be deemed to be works made for hire for Producer. Accordingly, Producer is and shall be considered the author and, at all stages of completion, the sole and exclusive owner of the Material and all right, title and interest therein ("Rights"). The Rights shall include without limitation all copyrights, neighboring rights, trademarks and any and all other ownership and exploitation rights in the Material now or hereafter recognized in any and all territories and jurisdictions including, by way of illustration, production, reproduction, distribution, adaptation, performance, fixation, rental and lending rights, exhibition, broadcast and all other rights of communication to the public, and the right to exploit the Material throughout the universe in perpetuity in all media, markets and languages and in any manner now known or hereafter devised, subject to any applicable restrictions and approvals as may be specified in Writer’s agreement for the Picture. If under any applicable law the Material is not deemed or otherwise considered a work made for hire, then to the fullest extent allowable and for the full term of protection otherwise accorded to Writer under such applicable law (including any and all renewals, extensions and revivals thereof), Writer hereby assigns and transfers to Producer the Rights and, in connection therewith, any and all right, title and interest of Writer in the Picture and any other works now or hereafter created containing the Material.

Writer hereby grants Producer the right to change, add to, take from, translate, reformat or reprocess the Material in any manner Producer may in its sole discretion determine. To the fullest extent allowable under any applicable law, Writer hereby irrevocably waives or assigns to Producer his so-called "moral rights" or "droit moral". Writer expressly acknowledges that many parties will contribute to the Picture and other works that will embody all or part of the Material. Accordingly, if under any applicable law the above waiver or assignment by Writer of "moral rights" or "droit moral" is not
effective, then Writer agrees to exercise such rights in a manner which recognizes the contribution of and will not have a material adverse effect upon such other parties.

Producer, on the one hand, and Writer, on the other, acknowledge and agree that the following sums are in consideration of, and constitute equitable remuneration for, the rental right included in the Rights: (i) an agreed allocation to the rental right consistent with terms of the applicable Writers Guild of America Basic Agreement related to productions filmed pursuant to a modified low budget scale of the fixed compensation and, if applicable, the contingent compensation payable by Producer to Writer’s services in connection with the Picture; (ii) any sums payable to Writer with respect to the rental right under any applicable collective bargaining or other industry-wide agreement; and (iii) any residuals payable to Writer under any such collective bargaining or other industry-wide agreement with respect to home video exploitation which are reasonably attributable to sale of home video devices for rental purposes in the territories or jurisdictions where the rental right is recognized. If under the applicable law of any territory or jurisdiction any additional or different form of compensation is required to satisfy the requirement of equitable remuneration, then it is agreed that the grant to Producer of the rental right shall nevertheless be fully effective, and Producer shall pay Writer such compensation or, if necessary, the parties shall in good faith negotiate the amount and nature thereof in accordance with applicable law.

Since Producer has already paid or agreed to pay Writer equitable remuneration for the rental right, Employer and Employee hereby assign to Producer all compensation for the rental right payable or which may become payable to Writer on account or in the nature of a tax or levy, through a collecting society or otherwise. Writer shall cooperate fully with Producer in the collection and payment to Producer of such compensation. Further, since Producer has already paid or agreed to pay Writer full consideration for all services rendered and rights granted by Writer hereunder, Writer hereby assigns to Producer all other compensation payable or which may become payable to Employer or Employee on account or in the nature of a tax or levy, through a collecting society or otherwise, under the applicable law of any territory or jurisdiction, including by way of illustration only, so-called blank tape and similar levies. Writer shall cooperate fully with Producer in connection with the collection and payment to Producer of all such compensation. The terms of this paragraph shall apply in connection with services not covered by the applicable WGA, DGA or SAG basic agreements.

Writer will upon request execute, acknowledge and deliver to Producer any and all documents consistent herewith which Producer may reasonably deem necessary to evidence and effectuate all or any of Producer's rights hereunder. Writer hereby irrevocably appoints Producer as attorney-in-fact with full power to execute, acknowledge, deliver and record in the U.S. Copyright Office or elsewhere any and all such documents Writer fail to execute, acknowledge and deliver within 5 business days after Producer's request therefore and furnishing of copies, unless a shorter period of time is reasonably required by Producer. The appointment shall be a power coupled with an interest. Producer shall provide Employer with a copy of any such document Producer
executes on behalf of Writer, provided that a failure by Producer to send such a copy shall not constitute a breach hereof.

Writer hereby grants to Producer the right to issue and authorize publicity concerning Writer, and to use Writer’s name, voice, approved likeness and approved biographical data (provided that such approval shall be undertaken in a reasonable manner so as not to frustrate the intent of this agreement) in connection with the distribution, exhibition, advertising and other exploitation of the Picture, subject to any applicable restrictions and approvals as may be specified in Writer’s agreement for the Picture.

Writer represents and warrants that: Writer is free to grant all rights herein granted and to make all agreements made by Writer herein; Writer has not made, and will not make, any grant or assignment which will conflict with or impair the complete and quiet enjoyment of Producer's rights hereunder; Writer is not subject to any conflicting obligations or any disability which will prevent or interfere with the performance of Writer's services; and to the extent required by law and/or applicable collective bargaining agreements Writer is a member in good standing of such labor organization having jurisdiction hereunder.

Writer further represents and warrants that: the Material (other than any written material supplied by Producer to Writer or incorporated by Producer into any Material written by Writer) is or will be original with Writer (or provided Writer notifies Producer thereof, is in minor part in the public domain); any Material written by Writer has not been copied in whole or in part from, or based on, any other work except that submitted by Producer to Writer as a basis for the Material; the Material has not been exploited in any manner and/or medium; the Material is not and will not be based in whole or in part on the life of any real person except as approved in writing in advance by Producer; any Material contributed in writing by Writer does not and will not infringe upon the copyright of any person or entity, and any other Material contributed by Writer, to the best of Writer’s knowledge (including that which they should have known in the exercise of reasonable prudence), does not and will not infringe upon the copyright of any person or entity; and, to the best of Writer’s knowledge (including that which he should have known in the exercise of reasonable prudence), the Material does not and will not constitute a libel or slander of any person or entity or infringe upon or violate the right of privacy or any other right of any person or entity.

Writer shall indemnify Producer against any and all liability, damages, costs and expenses (including reasonable outside attorneys' fees and costs) in connection with any third party claim or action arising out of the breach of any of their representations, warranties or agreements herein. Producer shall indemnify and defend Writer against any and all liability, damages, costs and expenses (including reasonable attorneys' fees and costs) in connection with any third party claim or action (other than those arising out of a breach of Writer’s representations, warranties or agreements hereunder or out of any criminal misconduct or malicious or willful acts by Writer) in connection with Producer's
development, production, distribution or exploitation of the Material, Picture and/or any element thereof or therein.

Writer shall be covered as additional insured by the errors and omissions and general liability insurance policies for the Picture to the extent that Producer obtains and maintains such policies and shall be subject to the terms, conditions and restrictions of such policies and endorsements thereto.

Writer hereby covenants and agrees that Writer shall not have or be deemed to have any lien, charge or other encumbrance upon any of the rights conveyed to Producer herein or proceeds derived therefrom, and that no act of or omission by Producer, nor any other act, omission or event of any kind, shall terminate or otherwise adversely affect Producer's ownership of the rights conveyed herein. Writer's sole remedy for any breach or alleged breach hereof by Producer shall be an action at law to recover such damages as may have been actually suffered by them as a result thereof.

Without limiting the foregoing, Producer's obligation to engage any of Writer's services with respect to the Picture is subject to the condition precedent of Producer acquiring all necessary rights to the underlying property for the Picture.

Executed as of ________________ (date)

________________________________________________________________________

WRITER NAME ("Writer")

ACKNOWLEDGED AND AGREED:

NEXTV ENTERTAINMENT, INC. ("Producer")

By:_____________________________________

Its:
PRODUCER’S AGREEMENT

This Agreement is made and entered into as of _______________ (the “Agreement”) between COMPANY FORMED FOR FILM, LLC (“Company”) and ________________ (“Producer”) in connection with Company’s proposed theatrical motion picture tentatively entitled “Touched” (the “Picture”). In consideration of the mutual covenants and agreements contained herein, Company and Producer hereby agree as follows:

1. **EMPLOYMENT AND START DATE.** Company hereby employs Producer, and Producer hereby accepts such employment upon all of the terms and conditions set forth herein, to render Producer’s exclusive, first call, first priority services as a producer in connection with the Picture. Producer’s services will commence on such date(s) as Company designates in its sole discretion and Producer agrees to render all services (including without limitation all services customarily rendered by producers in the motion picture industry) reasonably required by Company in connection with the Picture upon all of the terms and conditions set forth herein.

2. **TERM.** The term of this Agreement (the “Term”) will commence on the date hereof and will continue through completion of all of Producer’s services in connection with the Picture.

3. **COMPENSATION.** On the conditions that Producer is not in material default or otherwise in material breach of this Agreement, Producer executes and delivers to Company this Agreement and Producer renders and fully completes all of Producer's services reasonably required hereunder, Company will pay Producer, in full consideration of all services of Producer, all rights now or hereafter to be granted to or otherwise acquired by Company, and all of the representations, warranties and agreements of Producer hereunder, the following compensation: a producing fee of _______________.

4. **CONTINGENT COMPENSATION.** On the conditions that Producer is not in material default or otherwise in material breach of this Agreement, Producer executes and delivers to Company this Agreement and Producer renders and fully completes all of Producer's services reasonably required hereunder, Producer shall be entitled to a profit participation in an amount equal to _____ of 50% of Company’s Net Profits derived from the exploitation of the Picture, in all media from all sources throughout the universe in perpetuity, to be defined, accounted for and paid in accordance with Company’s standard definition thereof, subject to good faith negotiations, provided that “Net Profits” hereunder shall be defined, accounted for and paid no less favorably with respect to Producer than with respect to OTHER PRINCIPAL PRODUCERS in connection with the Picture. Such Contingent Compensation shall be paid, if at all, on a pro-rata pari passu basis with OTHER PRINCIPAL PRODUCERS and shall be reduced proportionally among the _____(#) for any applicable contingent compensation necessitated to be paid to other third parties. Such reductions, if any, shall be reasonably decided in good faith among the _____(#) parties; however, in the event of impasse the decision(s) of Company shall control.

5. **ALL-INCLUSIVE FLAT FEE.** The compensation payable to Producer pursuant to this Agreement, if any, will be an all-inclusive flat fee in respect of any and all uses of the Picture, and all elements of the foregoing in any and all media, whether now known or hereafter developed, throughout the universe, in perpetuity, in all versions (including without limitation digitized versions), in all languages and for any and all purposes, including, without limitation, all replays, broadcasts in any
foreign area, theatrical exhibitions and exhibitions in any supplemental market. Without limiting the foregoing, no additional compensation will be payable to Producer for Producer's services hereunder by reason of overtime, weekend work, holidays, reruns and the like.

6. **CREDIT.** On the conditions that Producer is not in material default or otherwise in material breach of this Agreement and subject to customary distributors' exclusions and exceptions, Company will accord Producer credit substantially in the form of “Produced by _________” in a size of type not less than the size of type used to display the name of any other producer on the screen on a separate card of the Picture in _____(#) position among other producers, which card will be adjacent to a card, if any, according producer credit to any other producer(s) on the screen of the Picture in the main titles (i.e., where the individual credits for other producers appear, whether located in the beginning or end of the Picture). Company will also accord Producer a production company credit substantially in the form of ___________ on the screen on a separate card of the Picture in ___(#) position among other producers, which card will be adjacent to a card, if any, according production company credit to any other production company(ies) on the screen of the Picture in the main titles [i.e., where the credits for other production company(ies) appear, whether located in the beginning or end of the Picture].

Company will also provide producer and production company credit to Producer in all paid advertising relating primarily to the Picture issued by, or under the direct control of, Company ("Paid Ads"), below or after the title of the Picture, among the Paid Ad producer credits (and Paid Ad production company credits, as applicable), in first position among producers and first position among production companies, in a size of type not less than the size of type used to display the name of any other producer (or production company, as applicable) in such Paid Ad whose name appears below or after the title of the Picture.

Company's Paid Ad credit obligations shall not apply to the following Paid Ads (hereinafter "Excluded Ads"): group, list, institutional or so-called teaser advertising; announcement advertising; advertising relating primarily to the source material upon which the Picture is based, or to the author, any member of the cast, the producer(s), writer(s) or any other personnel involved with the production of the Picture; so-called "award" or "congratulatory" advertisements, including advertisements or announcements relating to consideration or nomination for an award; trailers (including promotional films) or other screen, radio or television advertising; advertising in narrative form; advertising for film festivals, film markets and the like; advertising one-half page (or the equivalent in SAU's) in size or less; outdoor advertising (including, but not limited to so-called 24-sheets); theater display advertising; advertising in which no credit is accorded other than credit to one (1) or two (2) stars of the Picture and/or to Company and/or to any other company financing or distributing the Picture. The following shall not be considered Paid Ads or Excluded Ads for any purpose hereunder: videocassettes, videodiscs and other home video devices and the covers, packages, containers or jackets therefor; publicity and promotional items and materials; advertising relating to subsidiary or ancillary rights in the Picture (including, but not limited to novelizations, screenplays or other publications, products, merchandising, music publishing or soundtrack recordings); voiceovers, advertising, publicity and exploitation relating to by-products or commercial tie-ins; and other advertising not relating primarily to the Picture.

Notwithstanding anything contained herein, if any other producer or production company is accorded credit in any Excluded Ads (other than award, congratulatory or nomination type ads mentioning only the honoree, group ads, institutional ads and teasers), Producer also shall be accorded credit in such Excluded Ads.

Company shall provide notice of Producer's credit provisions to any applicable third party distributor, but such distributor's failure to provide credit as specified herein shall not constitute a breach of this Agreement by Company. In the event of Company's failure to comply with any of its credit obligations hereunder, Company shall, upon receipt of written notice of such failure, use reasonable efforts to correct
such failure on a prospective basis only, i.e. those credits (if any) prepared after Company's receipt of such notice (allowing for adequate time after receipt of notice to implement such correction).

All other matters relating to credit will be at Company’s sole discretion. No casual, inadvertent or unintentional failure by Company to comply with the credit provisions hereof (by reason of shortage of time or otherwise) nor any failure by any third party to comply with such credit provisions will constitute a breach by Company of this Agreement.

7. **EMPLOYMENT ELIGIBILITY VERIFICATION.** Notwithstanding any other provision under this Agreement, Producer acknowledges that any offer of employment hereunder is subject to and contingent upon Producer's ability to prove Producer's identity and employment eligibility as required by the Immigration Reform and Control Act of 1986. Accordingly, Producer hereby agrees (a) to complete accurately and truthfully and to sign Section 1 (“Employee Information and Verification”) of an Employment Eligibility Verification (“Form I-9”) at the time of Producer's execution of this agreement or commencement of services, whichever is earlier, and (b) to deliver, in person, to Company said Form I-9, together with documentation of Producer's employment eligibility, within three (3) business days of Producer's execution of this agreement or commencement of services, whichever is earlier. If Producer fails to complete and deliver the Form I-9 as provided above, Company will have the right, by notice to such effect given to Producer, to terminate this Agreement and thereupon Producer’s employment hereunder will cease and terminate and no party will have any right, duty or obligation to the others under the Agreement except such as will have accrued prior to the effective date of termination.

8. **NOTICES.** Company's and Producer's respective addresses for notice purposes will be as follows:

To Company: COMPANY FORMED FOR FILM, LLC
c/o Production Law Firm
Address
Attention: Attorney

To Producer: Name
Address

With a courtesy copy to: c/o Producer's Attorney
Address
Attention: Attorney

9. **EQUITABLE RELIEF.**

(a) Producer acknowledges that the services to be rendered by Producer hereunder are of a special, unique, unusual, extraordinary and intellectual character that gives them a peculiar value, the loss of which Company cannot be reasonably or adequately compensated in damages, and that a breach by Producer of any provision of this Agreement will cause Company irreparable injury and damage. Accordingly, Producer expressly agrees that Company will be entitled to injunctive and other equitable relief to prevent a breach of this Agreement or any part thereof by Producer and to secure its enforcement.

(b) Producer acknowledges that, in the event of any breach of this Agreement by Company or any third party, the damage, if any, caused Producer thereby will not be irreparable or otherwise sufficient to entitle Producer to seek injunctive or other equitable relief. Producer acknowledges that Producer’s rights and remedies in any such event will be strictly limited to the right, if any, to recover damages in
an action at law, and Producer will not have the right to rescind this Agreement or any of Company's rights hereunder, nor the right to enjoin the production, exhibition or other exploitation of the Picture, any subsidiary or allied rights with respect thereto, or any other results and proceeds of Producer's services hereunder, nor will Producer have the right to terminate Producer's services or obligations hereunder by reason of such breach. Without limiting the foregoing or Company's other rights under this Agreement or at law or in equity, under no circumstances will any act or omission of Company which would otherwise constitute a breach or alleged breach of this Agreement be deemed such unless Producer notifies Company in writing setting forth in detail the basis for such breach or alleged breach and Company fails to commence reasonable efforts to cure such breach or alleged breach within thirty (30) days of Company’s receipt of such notice.

10. **VIDEOCASSETTE/DVD.** Provided that Producer has rendered all services which Company may reasonably require hereunder and that Producer is not in Default, Company shall provide Producer with one (1) VHS videocassette and one (1) DVD of the Picture at such time, if ever, as VHS videocassettes and DVDs of the Picture become generally commercially available. Said videocassette and DVD copies shall be used solely for Producer's private home showing and library purposes, and in no event shall said videocassette and/or DVD copy be altered, duplicated or used for any commercial purpose or for profit.

11. **PREMIERE.** Company shall invite Producer and one (1) guest to the first East or West Coast celebrity premiere. If travel or accommodations are provided to any other producer, then such amenities shall also be provided to Producer by Company on a “favored nations” basis regarding such premiere.

12. **CERTIFICATE OF RESULTS AND PROCEEDS / STANDARD TERMS AND CONDITIONS.** A Certificate of Results and Proceeds is attached hereto as “Exhibit A” and incorporated herein by reference. In addition, the balance of the terms and conditions of this Agreement consist of Company’s Standard Terms and Conditions (“Standard Terms”), attached hereto as “Exhibit B” and incorporated herein by this reference, it being understood and agreed that such Standard Terms will be subject to such change(s), if any, as are agreed to in writing by the parties hereto following good faith negotiations, it being further understood and agreed that unless and until, and only to the extent that any such change(s) are so agreed to, the provisions of said Standard Terms will govern. In the event of any conflict between the foregoing provisions of this Agreement and the applicable provisions of the Standard Terms, the foregoing provisions of this Agreement will govern.

If the foregoing correctly sets forth your understanding of the agreement between Company and Producer, please so indicate by signing in the space provided below.

COMPANY FORMED FOR FILM, LLC

By:__________________________

Its:__________________________

AGREED AND ACCEPTED:

____________________________

PRODUCER NAME

Social Security #:________________
EXHIBIT A

"TITLE"

CERTIFICATE OF EMPLOYMENT
(Produce)

TITLE the Movie, LLC ("Company"), has employed ________________ ("Producer"), to render producing, labor and other services in connection with the motion picture presently entitled “TITLE” ("Picture").

For good and valuable consideration, receipt of which is hereby acknowledged, Producer hereby acknowledges, certifies and agrees that all results and proceeds of every kind of services heretofore and hereafter to be rendered by Producer in connection with the Picture, including without limitation any and all ideas, suggestions, themes, plots, stories, characterizations, dialogue, titles and other material, whether in writing or not in writing, at any time heretofore or hereafter created or contributed by Producer which in any way relate to the Picture or to the material on which the Picture will be based (collectively, "Material"), are and shall be deemed to be works made for hire for Company. Accordingly, Company is and shall be considered the author and, at all stages of completion, the sole and exclusive owner of the Material and all right, title and interest therein ("Rights"). The Rights shall include without limitation all copyrights, neighboring rights, trademarks and any and all other ownership and exploitation rights in the Material now or hereafter recognized in any and all territories and jurisdictions including, by way of illustration, production, reproduction, distribution, adaptation, performance, fixation, rental and lending rights, exhibition, broadcast and all other rights of communication to the public, and the right to exploit the Material throughout the universe in perpetuity in all media, markets and languages and in any manner now known or hereafter devised, subject to any applicable restrictions and approvals as may be specified in Producer's agreement for the Picture. If under any applicable law the Material is not deemed or otherwise considered a work made for hire, then to the fullest extent allowable and for the full term of protection otherwise accorded to Producer under such applicable law (including any and all renewals, extensions and revivals thereof), Producer hereby assigns and transfers to Company the Rights and, in connection therewith, any and all right, title and interest of Producer in the Picture and any other works now or hereafter created containing the Material.

Producer hereby grants Company the right to change, add to, take from, translate, reformat or reprocess the Material in any manner Company may in its sole discretion determine. To the fullest extent allowable under any applicable law, Producer hereby irrevocably waives or assigns to Company his/her so-called "moral rights" or "droit moral". Producer expressly acknowledges that many parties will contribute to the Picture and other works that will embody all or part of the Material. Accordingly, if under any applicable law the above waiver or assignment by Producer of "moral rights" or "droit moral" is not effective, then Producer agrees to exercise such rights in a manner which recognizes the contribution of and will not have a material adverse effect upon such other parties.

Producer will upon request execute, acknowledge and deliver to Company any and all documents consistent herewith which Company may reasonably deem necessary to evidence and effectuate all or any of Company's rights hereunder. Producer hereby irrevocably appoints Company as attorney-in-fact with full power to execute, acknowledge, deliver and record in the U.S. Copyright Office or elsewhere any and all such documents Producer fails to execute, acknowledge and deliver within 5 business days after Company's request therefor and furnishing of copies, unless a shorter period of time is reasonably required by Company. The appointment shall be a power coupled with an interest. Company shall provide Producer with a copy of any such document Company executes
Producer hereby grants to Company the right to issue and authorize publicity concerning Producer, and to use Producer's name, voice, likeness and biographical data in connection with the distribution, exhibition, advertising and other exploitation of the Picture, subject to any applicable restrictions and approvals as may be specified in Producer's agreement for the Picture.

Producer represents and warrants that: Producer is free to grant all rights herein granted and to make all agreements made by Producer herein; Producer has not made, and will not make, any grant or assignment which will conflict with or impair the complete and quiet enjoyment of Company's rights hereunder; and Producer is not subject to any conflicting obligations or any disability which will prevent or interfere with the performance of Producer's services hereunder.

Producer further represents and warrants that: the Material (other than any written material supplied by Company to Producer or incorporated by Company into any Material written by Producer) is or will be original with Producer (or provided Producer notifies Company thereof, is in minor part in the public domain); any Material written by Producer has not been copied in whole or in part from, or based on, any other work except that submitted by Company to Producer as a basis for the Material; the Material has not been exploited in any manner and/or medium; the Material is not and will not be based in whole or in part on the life of any real person except as approved in writing in advance by Company; any Material contributed in writing by Producer does not and will not infringe upon the copyright of any person or entity, and any other Material contributed by Producer, to the best of Producer's knowledge (including that which he/she should have known in the exercise of reasonable prudence), does not and will not infringe upon the copyright of any person or entity; and, to the best of Producer's knowledge (including that which he/she should have known in the exercise of reasonable prudence), the Material does not and will not constitute a libel or slander of any person or entity or infringe upon or violate the right of privacy or any other right of any person or entity.

Producer shall indemnify Company against any and all liability, damages, costs and expenses (including reasonable outside attorneys' fees and costs) in connection with any third party claim or action arising out of the breach of any of Producer's representations, warranties or agreements herein. Company shall indemnify and defend Producer against any and all liability, damages, costs and expenses (including reasonable attorneys' fees and costs) in connection with any third party claim or action (other than those arising out of a breach of Producer's representations, warranties or agreements hereunder or out of any criminal misconduct or malicious or willful acts by Producer) in connection with Company's development, production, distribution or exploitation of the Material, Picture and/or any element thereof or therein.

Producer shall be covered as an additional insured by the errors and omissions and general liability insurance policies for the Picture to the extent that Company obtains and maintains such policies and shall be subject to the terms, conditions and restrictions of such policies and endorsements thereto.

Producer hereby covenants and agrees that Producer shall not have or be deemed to have any lien, charge or other encumbrance upon any of the rights conveyed to Company herein or proceeds derived therefrom, and that no act of or omission by Company, nor any other act, omission or event of any kind, shall terminate or otherwise adversely affect Company's ownership of the rights conveyed herein. Producer's sole remedy for any breach or alleged breach hereof by Company shall be an action at law to recover such damages as may have been actually suffered by him/her as a result thereof.
W: CONTRACTS – PRODUCER – Standard Terms

Without limiting the foregoing, Company’s obligation to employ Producer with respect to the Picture is subject to the condition precedent of Company acquiring all necessary rights to the underlying property for the Picture.

Executed as of ______________

______________________________
NAME ("Producer")

ACKNOWLEDGED AND AGREED:

TITLE THE MOVIE, LLC
("Company")

By: ____________________________
Its:
EXHIBIT B

STANDARD TERMS AND CONDITIONS
(PRODUCER'S AGREEMENT - DIRECT)

These Standard Terms and Conditions ("Standard Terms") are part of, and are incorporated into, that certain agreement ("Underlying Agreement"), dated as of ____________, between COMPANY FORMED FOR FILM, LLC ("Company"), and _____________ ("Producer") relating to Producer's producing, labor and other services in connection with the motion picture tentatively entitled "TITLE" ("Picture"). These Standard Terms and the Underlying Agreement shall hereinafter be collectively referred to as the "Agreement." Unless expressly provided to the contrary herein, (i) all terms used herein shall have the same meaning as set forth in the Underlying Agreement and (ii) to the extent that any provision of these Standard Terms conflicts with any provision of the Underlying Agreement, the Underlying Agreement shall control. The term "Section(s)" refers to the numbered provisions of the Underlying Agreement and the term "Paragraph(s)" refers to the numbered provisions of the Standard Terms.

1. PRODUCER'S SERVICES. Producer's services on the Picture will be rendered either alone or in cooperation with other persons in such manner as Company may direct, under the instructions and in strict accordance with the controls and schedules established by Company's authorized representatives and at the times, places and in the manner required by said representatives. Such services shall be rendered in an artistic, conscientious, efficient and punctual manner to Producer's best ability and with full regard to the careful, efficient, economical and expeditious production of the Picture within the budget, shooting schedule and policies established by Company, it being understood that Company's production of motion pictures involves matters of discretion to be exercised by Company in respect to art and taste and Producer's services and the manner of rendition thereof are to be governed by Company.

2. COMPANY'S OWNERSHIP RIGHTS; DROIT MORAL. Company hereby is and shall be the sole and exclusive owner and is the sole author for all purposes (including, but not limited to, under the Copyright laws of the United States), in perpetuity and throughout the universe, of all of the following from the moment of their creation, at every stage of their development or completion: (i) all right, title and interest in and to the Results and Proceeds (as defined below) of Producer's services hereunder, all of which shall be a "work made for hire" for Company prepared within the scope of Producer's employment and/or as a work specially ordered or commissioned for use as a part of a motion picture or other audio-visual work; (ii) all right, title and interest in and to the Picture and the material upon which it is based, including, but not limited to, the copyright in and to the Picture and any renewals and extensions of such copyright and all moral rights of authors with respect thereto; (iii) all distribution, exhibition, exploitation, allied, ancillary and/or subsidiary rights with respect to the Picture and/or the Results and Proceeds in any and all media, whether now or hereafter known, including, without imitation, theatrical, non-theatrical, pay-per-view, home video (including videocassettes, digital videodiscs, laserdiscs and all other formats), all forms of television (including pay, free, network, syndication, cable, satellite and digital), video-on-demand, and all forms of digital distribution and/or transmission (including without limitation, the internet); and (iv) all other tangible and intangible rights of any nature relating to, and all proceeds and benefits of any nature derived from, the Picture and/or the Results and Proceeds. Without limiting the foregoing, in the event that any of the Results and Proceeds are not deemed to be a "work made for hire" for Company, Producer hereby irrevocably and exclusively assigns to Company (or if any applicable law prohibits or limits such assignment, Producer hereby irrevocably licenses to Company) all right, title and interest in and to such Results and Proceeds (including all copyrights therein and thereto and all renewals and extensions thereof), and all rights to exploit the same throughout the universe, in perpetuity, in any and all media, whether now known or hereafter devised. Producer hereby waives any so-called "moral rights of
authors" and "droit moral" rights (and any similar or analogous rights under the applicable laws of any country of the world) which Producer may have in connection with the Picture or the Results and Proceeds. Producer further hereby irrevocably assigns to Company (or if any applicable law prohibits or limits such assignment, Producer hereby irrevocably licenses to Company), in perpetuity throughout the universe, all of Producer's rights, if any, to authorize, prohibit and/or control the renting, lending, fixation, reproduction and/or other exploitation of the Picture by any media and/or means now known or hereafter devised as may be conferred upon Producer under applicable laws, regulations or directives, including, without limitation, any so-called "Rental and Lending Rights" pursuant to any European Union ("EU") directives and/or enabling or implementing legislation, laws or regulations enacted by the member nations of the EU. As used herein, "Results and Proceeds" shall mean all results and proceeds of Producer's engagement and services under this Agreement or otherwise relating to the Picture, including all themes, plot, characters, ideas and story contained therein and all other materials of any kind created by Producer during the period of Producer's exclusive services hereunder and all so-called "moral rights of authors" or "droit moral" rights (and/or any similar or analogous rights under any applicable law of any jurisdiction) with respect to any of the foregoing, and the right to make such changes therein and/or uses thereof as Company shall from time to time determine in its sole discretion.

3. INJUNCTIVE RELIEF. Producer acknowledges and agrees that the services to be rendered by Producer hereunder are of a special, unique, unusual, extraordinary and intellectual character, making them difficult to replace and giving them a peculiar value, the loss of which cannot be reasonably compensated in damages in an action at law; that if Producer breaches any provision of this Agreement, Company will be caused irreparable damage; and that, therefore, Company shall be entitled, as a matter of right, at its election, to enforce this Agreement and all of the provisions hereof by injunction or other equitable relief.

4. SUSPENSION AND TERMINATION.

4.1 Suspension.

4.1.1 Company's Suspension Rights. Producer's services and the accrual of compensation hereunder shall be automatically suspended (unless Company notifies Producer otherwise) during all periods when:

A. Disability. Producer is unable to perform Producer's obligations hereunder by reason of mental or physical disability (including the death of Producer) ("Disability"). If any claim of Disability is made by or on behalf of Producer, Company shall have the right to have Producer examined by such physician(s) as Company may designate, with Producer's physician present (at Producer's sole cost) if Producer so requests, provided that such physician does not interfere with the examination conducted by Company's physician;

B. Default. Producer fails, refuses or neglects to comply with Producer's obligations hereunder or (directly or through any representative) states an intention to do so ("Default"); provided, however, that if (y) such Default is inadvertent (i.e. not intentional or repeated) and is by its nature reasonably curable and (z) allowing Producer to cure such Default will not result in additional expense to Company, then on a one-time-only basis Producer shall have a period of forty-eight (48) hours [reducible to twenty-four (24) hours during periods of principal photography] from the date of notice from Company of such Default within which to cure the first such Default; and/or

C. Force Majeure. As a result of any Act of God; war; accident; fire; earthquake; strike; lock-out or other labor controversy; riot; civil disturbance; act of public enemy; law, enactment, rule, restraint, order or act of any governmental instrumentality or military authority; failure or inability to obtain any necessary permit or license; failure of technical facilities; inability to obtain sufficient labor, technical
or other personnel (including, without limitation, cast or crew members); failure, delay or reduction in transportation facilities or water, electricity or other public utilities; death, disability, disfigurement (with respect to cast only), or inability to obtain health insurance for a principal member of the cast, the director, any producer or key crew member or inability to obtain visas, labor permits or other governmental licenses for any such persons (other than Producer); or any other cause not reasonably within Company's control or which Company could not by reasonable diligence have avoided, Company is hampered in the development or production of the Picture or Company's normal business operations become commercially impracticable ("Force Majeure"). Notwithstanding the foregoing, Company shall not suspend Producer's services due to an event of Force Majeure unless the services of other producers have also been suspended (exclusive of any person whose suspension might cause Company to lose rights in the material on which the Picture is based).

4.1.2 Effect of Suspension. If any such Force Majeure, Disability or Default should occur prior to the Start Date, the Start Date may be postponed by Company for a period equal to the duration of such Force Majeure, Disability or Default plus the period commencing on the occurrence of such event and ending on the originally scheduled Start Date, and (unless Company gives Producer notice to the contrary) such postponement shall not be deemed a suspension of this Agreement or Producer's services hereunder; provided, however, that Company may reduce the period of postponement in its own discretion upon notice thereof to Producer. Any suspension shall be for the duration of any such Force Majeure, Disability or Default plus such reasonable period of time as may be deemed necessary by Company to commence or recommence development or production of the Picture and, unless Company notifies Producer in writing to the contrary, Producer's services hereunder shall be automatically extended by such number of days as equal the total number of days of such suspension. A suspension hereunder shall not relieve Producer of any of Producer's obligations to perform hereunder. During any suspension, Producer shall not render any services for others or for him/herself in the field of entertainment, except that during a suspension predicated on Force Majeure, Producer may render such other services, provided that any and all commitments for such services are subordinate to the obligations of Producer's services hereunder, including Producer's obligation to resume rendering services to Company promptly upon termination of the suspension. If Company terminates any Force Majeure suspension hereunder, Company may not thereafter re-suspend Producer's services based upon the same continuous event of Force Majeure. Payment of any compensation accrued and unpaid prior to the suspension shall be subject to all of Company's rights and remedies (including the right of offset) for Producer's Default.
4.2 **Termination.**

4.2.1 **Termination Rights of the Parties.**

A. **Producer's Termination Right.** If a suspension predicated on Force Majeure continues for eight (8) or more consecutive weeks or for an aggregate of ten (10) or more weeks, Producer may give Company written notice of Producer's desire to terminate this Agreement, and unless Company terminates such suspension within seven (7) business days after its receipt of such notice, this Agreement shall terminate.

B. **Company's Termination Rights.** Company shall have the right to terminate Producer's services upon the occurrence of any of the following by delivering written notice to Producer:

   - (i) Producer's Disability continuing for either three (3) days during Producer's rendition of Pre-Production Services or services in connection the principal photography of the Picture or at any other time, seven (7) or more consecutive days or an aggregate of fourteen (14) or more days;

   - (ii) Default;

   - (iii) If an event of Force Majeure: (aa) occurs prior to or on the Start Date; or (bb) occurs after the Start Date and continues for eight (8) or more consecutive weeks or for an aggregate of ten (10) or more weeks (such period to be reduced to two (2) weeks during Producer's rendition of Pre-Production Services and services in connection with the principal photography of the Picture); or (cc) affects development and/or production in a manner incapable of being corrected within the foregoing time periods; or (dd) has an impact that, at the time of onset, can reasonably be expected to continue for not less than two weeks; or

   - (iv) Any event or contingency expressly provided for in this Agreement. Notwithstanding the foregoing, Company shall not terminate Producer's services due to an event of Force Majeure unless the services of substantially all other producers have also been terminated (exclusive of any person whose termination might cause Company to lose rights in the material on which the Picture is based).

4.2.2 **Effect of Termination.** If Producer or Company terminates this Agreement in accordance with the provisions of this Paragraph 4, Company shall be released and discharged from any liability or obligation whatsoever to Producer hereunder; provided, however, that if Company terminates this Agreement pursuant to this Paragraph 4 for any reason other than Producer's Default, Producer shall be entitled to receive that portion of the fixed compensation, if any, that has theretofore accrued and become payable to Producer pursuant to the Agreement for services rendered by Producer prior to the date of such termination and the insurance and indemnity provisions contained in this Agreement shall survive any such termination.

4.3 **Company's Breach.** No act or omission of Company hereunder shall constitute an event of Default or breach of this Agreement unless Producer shall first notify Company in writing setting forth such alleged breach or Default and Company shall not cure the same within thirty (30) days (which period shall be reduced to ten (10) business days if such alleged breach or Default concerns a payment which has become due and payable to Producer and neither the accrual of such payment, nor the amount of such payment, is in dispute) after receipt of such notice. No act or omission of Producer hereunder shall constitute an event of breach of this Agreement unless Company shall first notify Producer in writing setting forth such alleged breach and Company shall not cure the same within
five (5) days after receipt of such notice (reducible to 24 hours in the event of exigencies regarding production).

4.4 Other Agreements. Any breach or Default by Producer of any other agreement between Company and Producer for Producer's services in connection with the Picture ("Other Services Agreements") shall constitute a breach or a Default by Producer under this Agreement. Any breach or Default by Producer under this Agreement shall constitute a breach or Default by Producer under the Other Services Agreements. No breach or Default by Producer under this Agreement or under the Other Services Agreement shall affect Company's acquisition of rights in connection with the Picture (or any material upon which the Picture is based or which is incorporated therein) pursuant to any rights agreement with Producer or any other third parties.

5. NOTICES. All notices required hereunder shall be in writing and shall be given either by personal delivery, telecopy/facsimile or by federal mail (postage prepaid), and shall be deemed given hereunder on the date personally delivered or telecopied, or the date two (2) business days after the date mailed if mailed in the United States, and five (5) business days after the date mailed if mailed outside of the United States. Until further notice, the addresses of the parties shall be as follows:

5.1 For Producer, as indicated in the Underlying Agreement.

5.2 For Company:
c/o Production Attorney
Address
Fax No.: ___________
Attn.: ___________

6. REPRESENTATIONS AND WARRANTIES. Producer represents and warrants that:

6.1 Authority and Non-Interference. Producer is free to enter into this Agreement; Producer has the right to render services in accordance with the terms and conditions hereof; Producer is not subject to any obligation or disability which would interfere with or prevent the full performance by Producer of Producer's services hereunder; and Producer has done, nor will Producer do, any act, and Producer has not made, nor will Producer make, any grant or assignment, which will or might interfere with the complete enjoyment of the rights and privileges herein granted to Company.

6.2 Created Material. All material, works, writings, ideas, "gags" or dialogue written, composed, prepared, submitted or interpolated by Producer in connection with the Picture or its preparation or production, shall be wholly original with Producer and shall not be copied in whole or in part from any other work, except that material submitted to Producer by Company for inclusion in and included in the Picture.

7. INDEMNITY. Producer shall indemnify and hold Company, its parents, affiliates, subsidiaries, employees, directors, officers, agents, successors, assigns and licensees, and each of them, harmless from and against any and all liabilities, judgments, claims, demands, damages, penalties, interest, costs and expenses of every kind whatsoever (including, without limitation, reasonable attorneys' and accountants' fees and disbursements) (collectively, "Expenses") suffered or incurred by Company, the aforementioned parties and/or any of them, arising out of or resulting from any Default by Producer, or any breach by Producer of Producer's representations, warranties, undertakings and/or agreements hereunder and/or resulting from Producer's intentionally tortious or grossly negligent conduct. Company shall defend (selecting its own counsel), indemnify and hold Producer harmless from and against any and all Expenses suffered or incurred by Producer, arising out of or by reason of or resulting from any
third party claim based upon material submitted by Company to Producer for inclusion in and included in the Picture and/or by reason of any third party claim arising out of Company's production, distribution and/or exploitation of the Picture; provided, however, that the foregoing indemnification shall not apply to any Expenses or third party claims arising out of or resulting from Producer's intentionally tortious or grossly negligent conduct or from any breach of Producer's covenants, representations or warranties hereunder. Notwithstanding the preceding sentence, in connection with any claim arising out of the production, distribution, or exploitation of the Picture which alleges that material contained in the Picture constitutes a breach by Producer of Producer's representations and warranties hereunder (hereinafter, "Claim"), Company shall defend Producer against any such Claim provided that Producer cooperates fully with Company in connection with the defense thereof and subject to the following: (i) Company shall control the defense of any such Claim and shall have the right to dispose of and/or settle such Claim as Company deems appropriate, and (ii) Company shall reserve all rights, both in equity and at law, against Producer (including the right to recover any Expenses incurred by Company in connection with the defense, settlement or other disposition of any such Claim) to the extent such Claim arises out of a breach by Producer of Producer's representations and warranties hereunder. With respect to any action brought by Company against Producer pursuant to subparagraph (ii) above, such action will be deemed to accrue on the date on which Company requests that Producer reimburse Company for Company's Expenses incurred in defending a Claim following a final disposition thereof. Nothing contained in this Paragraph shall affect the computation of Producer's Contingent Compensation, if any, in connection with the Picture or limit in any respect the amounts deductible by Company as distribution expenses, costs of production or otherwise in computing such participation.

8. COMMITMENTS TO OTHERS. Producer shall not have the right or authority to, and shall not, (i) employ any person in any capacity, (ii) contract for the purchase or rental of any article or material, or (iii) make any commitment, agreement or obligation whereby Company shall be required to pay any monies or other consideration, without Company's prior written consent in each instance.

9. RIGHT TO WITHHOLD. Company shall have the right to deduct and withhold from any sums payable to Producer hereunder (i) any amounts required to be deducted and withheld by Company pursuant to any present or future law, ordinance or regulation of the United States or of any state thereof or any subdivision of any state thereof, or of any other country, including, without limitation, any country wherein Producer performs any services hereunder.

10. INSURANCE.

10.1 Company’s Insurance Rights. Company shall have the right to apply for and take out, at Company's expense, life, health, accident, cast or other insurance covering Producer, in any amount Company deems necessary to protect Company's interest hereunder. Producer shall not have any right, title or interest in or to such insurance. Producer shall assist Company in obtaining such insurance by submitting to usual and customary medical and other examinations, and by signing such applications, statements and other instruments as may be reasonably required by any insurance company. Producer may have Producer's own physician present at any such examination at Producer's own expense. In the event Producer fails or is unable to qualify for such insurance at customary rates and subject only to customary exclusions and deductible amounts (if any), Company shall have the right to terminate this Agreement; provided, however, that Company shall not exercise such termination right if Producer promptly pays the excess over the normal cast insurance policy premium, but only if: (i) the condition to Producer's insurability thereunder is a single money payment of excess premium and not a policy exclusion or any other condition related to the production of the Picture, and (ii) Company, in Company's reasonable judgment, believes that the cause of the premium increase does not constitute a substantial risk to the timely completion of the Picture. During the term of this Agreement, Producer shall not travel on any chartered or unscheduled airline or plane, unless requested to do so by Company,
or engage in any conduct prohibited by any policy of insurance obtained by Company in accordance with this Agreement.

10.2 Company's Insurance Obligations. Producer shall be covered on Company's errors and omissions insurance policy for the Picture, subject to the restrictions, limitations, terms and exclusions of said policy. In addition, Producer shall, as and to the extent Producer is deemed an employee of Company, be covered on Company's general liability insurance policy for the Picture in connection with Producer's services under this Agreement and/or the Picture, subject to the restrictions, limitations, terms and exclusions of said policy. The foregoing shall not be construed so as to limit or otherwise affect any obligation, representation, warranty or agreement of Producer or so as to require Company to obtain and/or maintain any such insurance policies.

11. MISCELLANEOUS.

11.1 Governing Law. THE INTERNAL SUBSTANTIVE LAWS (AS DISTINGUISHED FROM THE CHOICE OF LAW RULES) OF CALIFORNIA APPLICABLE TO CONTRACTS MADE AND PERFORMED ENTIRELY IN CALIFORNIA SHALL GOVERN (i) THE VALIDITY AND INTERPRETATION OF THIS AGREEMENT, (ii) THE PERFORMANCE BY THE PARTIES OF THEIR RESPECTIVE OBLIGATIONS HEREUNDER, AND (iii) ALL OTHER CAUSES OF ACTION (WHETHER SOUNDING IN CONTRACT OR IN TORT) ARISING OUT OF OR RELATING TO THIS AGREEMENT (OR PRODUCER’S ENGAGEMENT AND/OR SERVICES HEREUNDER) OR THE TERMINATION OF THIS AGREEMENT (OR OF PRODUCER'S ENGAGEMENT AND/OR SERVICES).

11.2 Legal Proceedings. The parties hereto agree that any dispute or controversy relating to any of the matters referred to in clauses (i), (ii) and/or (iii) of Paragraph 11.1, above, shall be decided in accordance with California law, and the parties hereby submit to the jurisdiction of the State and Federal courts located in California. All such proceedings shall be closed to the public and confidential and all records relating thereto shall be permanently sealed.

11.3 Non-Waiver; Effect of Termination; Entire Agreement; Severability. No waiver by Producer or Company of any failure by the other to keep or perform any covenant or condition of this Agreement shall constitute a waiver of any preceding or succeeding breach of the same or any other covenant or condition. Neither the expiration nor the termination of this Agreement for any reason whatsoever shall affect the rights granted hereunder by Producer or Company's ownership thereof, and the representations and warranties of Producer hereunder shall survive any such expiration or termination. This Agreement constitutes the entire agreement between Company and Producer with respect to the subject matter hereof and may only be amended by a written instrument executed by Company and Producer. If one or more provisions of this Agreement are held to be illegal or unenforceable under applicable law, such illegal or unenforceable portion(s) shall be limited or excluded from this Agreement to the minimum extent required and the remaining portions of this Agreement shall be interpreted as if such portion(s) were so limited or excluded and shall be enforceable in accordance with its terms.

11.4 Visas and Labor Permits. Producer agrees to cooperate with Company and assist Company in securing such visas and labor permits as may be required by any governmental agency in connection with Producer's rendition of services hereunder. If, in spite of such cooperation and assistance, Company is unable to secure such visas and labor permits within a reasonable time period prior to the Start Date, Company shall have the right to suspend Producer's services hereunder until a final determination concerning such visa or labor permit is made by the applicable authority, and Company shall have the right to terminate this Agreement, Producer's engagement and Producer's employment hereunder if such visas and labor permits cannot be secured.
11.5 **Company's Remedies.** All remedies accorded herein or otherwise available to Company shall be cumulative and no one such remedy shall be exclusive of any other. Without waiving any rights or remedies under this Agreement or otherwise, Company may from time to time recover, by action at law, any damages arising out of any breach of this Agreement by Producer and may institute and maintain subsequent actions for additional damages which may arise from the same or other breaches. The commencement or maintaining of any such action or actions by Company shall not constitute an election on Company's part to terminate this Agreement nor constitute or result in the termination of Producer's services hereunder unless Company shall expressly so elect by written notice to Producer. The pursuit by Company of any remedy under this Agreement or otherwise shall not be deemed a waiver of any other or different remedy which may be available under this Agreement or otherwise, either at law or in equity.

11.6 **Producer's Remedies.** The rights and remedies of Producer in the event of any breach by Company of this Agreement or any of Company's obligations hereunder shall be limited to Producer's right to recover damages, if any, in action at law, and Producer hereby waives any right or remedy in equity, including without limitation any right to terminate or rescind this Agreement or Company's ownership of the Picture or the Results and Proceeds or any other right granted to Company hereunder and/or to seek injunctive or other equitable relief with respect to any breach of Company's obligations hereunder and/or to enjoin or restrain or otherwise impair in any manner the production, distribution, exhibition or other exploitation of the Picture, or any parts or elements thereof, or the use, publication or dissemination of any advertising in connection therewith.

11.7 **Captions.** The captions used in connection with the paragraphs and subparagraphs of this Agreement are inserted only for the purpose of reference. Such captions shall not be deemed to govern, limit, modify, or in any other manner affect the scope, meaning, or intent of the provisions of this Agreement or any part thereof; nor shall such captions otherwise be given any legal effect.

11.8 **Governmental Limitation.** If the compensation provided for by this Agreement shall exceed the amount permitted by any present or future law or governmental order or regulation, such compensation shall be reduced, while such limitation is in effect, to the amount which is so permitted, and the payment of such reduced compensation shall be deemed to constitute full performance by Company of its obligations respecting the payment of compensation hereunder. The balance of such compensation, if any, shall be paid if and when, if ever, such law, governmental order or regulation is lifted or removed.

11.9 **Assignment.** Company shall be free to assign this Agreement and its rights hereunder, and to delegate its duties, obligations and liabilities hereunder, at any time and from time to time, in whole or in part, to any person or entity and upon such assignment Company shall be released and discharged of and from any and all of its duties, obligations and liabilities hereunder if such assignment is to: (i) a person or entity into which Company merges or is consolidated or (ii) a person or entity which acquires all or substantially all of Company's business and assets or (iii) a person or entity which is controlled by, under common control with, or controls Company or (iv) any major or "mini-major" motion picture company, United States television network or (v) other financially responsible party who assumes in writing the performance and obligations of Company hereunder to be performed from and after such assignment. Producer may not assign this Agreement or Producer's rights hereunder, or delegate Producer's duties under this Agreement in whole or in part.

12. **FURTHER INSTRUMENTS.** Producer shall duly execute, acknowledge and deliver to Company or cause to be executed, acknowledged and delivered to Company, any and all assignments or instruments which Company may deem necessary to carry out and effectuate the purposes and intent of this Agreement, including, without limitation, separate assignments of any rights granted by Producer in this Agreement. In the event Producer fails to execute any such instrument within 5 business days after
W: CONTRACTS – PRODUCER – Standard Terms

Company's written request therefore, unless a shorter period of time is reasonably required by Company, Producer hereby irrevocably appoint Company as Producer's attorney-in-fact, which appointment shall be deemed a power coupled with an interest, with full rights of substitution and delegation, to execute, acknowledge and deliver any such instruments in Producer's name and on Producer's behalf. Company agrees to provide Producer with a courtesy copy of any such document that Company executes on behalf of Producer, provided that a failure to do so shall not constitute a breach of this Agreement.

END OF STANDARD TERMS
“PRODUCTION NAME” CASTING

This is a memorandum of an agreement between the producer/production company names below and the actor names herein and authorized by the producer.

DATE: 

FILM: 

PRODUCTION COMPANY: NAME OF L.L.C.

ACTOR: 

ROLE: 

SS#: 

LOAN-OUT: 

ADDRESS: 

PHONE: 

CELL: FAX: 

AGENT: AGENCY: 

MANAGER: COMPANY: 

PHONE: CELL: 

AGENT ADDRESS: 

AGENT PHONE: FAX: 

AGENT CELL: 

DEAL: 

BILLING: 

PAID ADS: 

MISCELLANEOUS: 

X: CONTRACTS – ACTOR - Deal Memo (short form)
APPROX. START DATE:

TRAVEL:

ACCOMODATIONS:

LOOPING:

________________________________________________________________________

PRODUCER

DATE
AS OF:

PICTURE: A feature-length theatrical motion picture tentatively entitled “TITLE”

LOANOUT COMPANY:

F/S/O ACTOR:

ROLE:

SOCIAL SECURITY / INSURANCE NO.:

NOTICE AND PAYMENTS TO: Lawyer/Agent…

AGENCY Address

WITH A COURTESY COPY TO:

The following sets forth the agreement ("Agreement") between CORP. FORMED FOR FILM, LLC ("Company"), and __________, ("Lender") for services of __________ ("Artist") with respect to Artist's acting, executive producing and other services (as specified herein) on the above-referenced motion picture ("Picture").

1. CONDITIONS PRECEDENT. Company's obligations under this Agreement are conditioned upon the following:

1.1 Execution of Agreement. Company's receipt of fully-executed copies of this Agreement and the certificate of engagement attached hereto and incorporated herein by this reference;

1.2 Employment Eligibility. Lender’s and/or Artist's providing Company with all documents which may be required by any governmental agency or otherwise for Artist to render services hereunder, including, without limitation, an INS Form I-9 (Employment Eligibility Verification Form), completed to Company's satisfaction, together with Lender’s and/or Artist's submission to Company of original documents establishing Artist's employment eligibility (Company acknowledges this condition precedent as satisfied);
1.3 **Insurance.** Artist's ability to qualify for all insurance Company deems necessary (e.g., life, health, accident and/or cast insurance) at customary rates and subject only to customary exclusions and deductible amounts (if any) (Company acknowledges this condition precedent as satisfied); and

1.4 **Chain-of-Title.** Company's timely receipt of chain-of-title documents (in form and substance satisfactory to Company) conveying to Company all right, title and interest in and to all materials upon which the Picture is based (Company acknowledges this condition precedent as satisfied);

1.5 **Payment Documentation.** Company's receipt of all forms and documents necessary to enable Company to effect payment to Lender, including tax and corporation identification forms, including, without limitation, if applicable, California Form 590 if Lender is incorporated outside the State of California, and any other tax and corporation identification forms (Company acknowledges this condition precedent as satisfied);

1.6. **Picture Finance.** The closing of all required financing arrangements for the Picture (Company acknowledges this condition precedent as satisfied); and

1.7. **Completion Bond.** The issuance of a completion bond with respect to the Picture from a recognized completion bond company approved by Producer (Company acknowledges this condition precedent as satisfied).

2. **SERVICES; START DATE.** Company engages Lender (and Lender accepts such engagement) to provide Artist to render acting services in the Picture portraying the role designated above ("Role"). Lender shall cause Artist to render all services as are customarily rendered by actors in first-class, feature-length, theatrical motion pictures as, when and where reasonably required by Company. In connection therewith and subject to the terms of this Agreement, Lender and Artist shall comply with all reasonable directions, requests, rules and regulations of Company, whether or not the same involve matters of artistic taste or judgment. Without limiting the foregoing, Lender shall cause Artist to render the following services in connection with the Picture:

2.1 **Pre-Production Services.** Lender shall cause Artist to render exclusive services in connection with rehearsal plus all additional required pre-production services, including, without limitation, pre-production meetings, fittings for costumes, wigs and/or prosthetic devices and the like, make-up, tests, publicity and production stills, auditions, conferences regarding story, music and other production matters, and other pre-production services customarily rendered by actors on first-class, feature-length, theatrical motion pictures and as Company may require, such pre-production services to be rendered as, when and where reasonably required by Company ("Pre-Production Services"). If any required Pre-Production Services (other than rehearsals) are not consecutive to the "Start Date" (as defined below), such services shall be subject to Artist's prior professional contractual commitments (provided that Artist shall use best efforts to be available as, where and when reasonably required by Company). Company acknowledges that all services have been satisfactorily rendered under this paragraph.

2.2 **Production Services.** Lender shall cause Artist to continue to render exclusive services in connection with the Picture during photography of the Picture, in accordance with the provisions of this Section 2.2, such production services to commence on a date to be designated by Company ("Start Date"). Company hereby designates August 9, 2004, plus or minus one (1) week, as the Start Date. Lender shall cause Artist to render exclusive services from and after the Start Date for the in-going scheduled period of
photography of the Picture [presently consisting of four (4) weeks, subject to such changes as may be required by exigencies of production and/or events of Force Majeure (as defined herein)] ("Guaranteed Payment Period"), plus, if needed and subject to the Overages provisions of Paragraph 3.2 below, any additional period of time during which Company requires Artist's services in connection with photography of the Picture. The Guaranteed Payment Period shall sometimes hereinafter be collectively referred to as the "Minimum Employment Period." Company acknowledges that all services have been satisfactorily rendered under this paragraph.

2.3 Post-Production Services. Lender shall cause Artist to render post-production services in connection with the Picture as are customarily rendered by actors in first-class, feature-length, theatrical motion pictures and as, when and where Company may reasonably require, such post-production services to include, without limitation, looping, dubbing, voice-overs, retakes, trick shots, opticals, foreign versions, cover shots, added scenes and re-shooting for the Picture, which shall include two (2) free days (or, at Company’s election, four (4) free half-days). Such post-production services, if non-consecutive to the period of Artist's consecutive services in connection with the production of the Picture, shall be subject only to Artist's prior professional contractual commitments (provided that (i) Artist shall use reasonable best efforts to be available to render such services as, when and where reasonably required by Company, and (ii) Lender and/or Artist shall give Company notice, as promptly as possible following Company’s request therefor, of such professional commitments). The first two (2) days of Artist's post-production services, which may be consecutive or non-consecutive to each other or to the Guaranteed Payment Period (at Company's option), shall be hereinafter referred to as the "Regular Post-Production Days"; provided, however, services rendered by Artist on any Regular Post-Production Day for four (4) hours or less shall be counted only as one-half (1/2) day for purposes of determining the remaining Regular Post-Production Days.

2.4 Promotional and Publicity Services. Subject to Artist’s reasonable approval and availability, Lender agrees to cause Artist to perform a reasonable amount of publicity services ("Promotional Services") (both during production of the Picture and in connection with the initial theatrical release of the Picture), in connection with the publicity and promotion of the Picture, provided that in any event Artist shall use reasonable good faith efforts to be available to render the Promotional Services as reasonably required by Company. Company shall consult with Artist regarding the precise Promotional Services to be rendered by Artist and shall not require Artist to perform any particular Promotional Services which Artist finds personally offensive (e.g., Company will not require Lender to cause Artist to appear on a particular talk show if Artist has personally had a previous problem with the host of that talk show). No additional compensation or other remuneration shall be payable to Lender with respect to the Promotional Services; however, Artist's Promotional Services as set forth in the first sentence of this paragraph are of the essence of this agreement and the Fixed Compensation (as defined below) shall be deemed to be in partial consideration of the Promotional Services as well as Artist's services in connection with the production of the Picture.

3. COMPENSATION. Upon the condition that both Lender and Artist fully perform all material services and obligations required hereunder and are not in "Default," and subject to Company's rights of suspension and/or termination on account of Lender’s and/or Artist's Default or "Disability" or an "Event of Force Majeure" (as such terms are defined in the Standard Terms attached hereto), Company shall pay Lender, as full and complete consideration for Artist's services and all rights granted hereunder, the following:
Y: CONTRACTS – ACTOR - Principal Terms (Loan Out)

3.1 **Fixed Compensation.** For all of Artist's Pre-Production Services, services during the Minimum Employment Period, and services during the Regular Post-Production Days, the applicable sum related to the SAG Low Budget Scale plus 10% [i.e., One Thousand Six Hundred Twenty United States Dollars (US $1,620) + 10% per week] ("Fixed Compensation"), payable in approximately equal weekly installments during the scheduled period of principal photography of the Picture (i.e., paid in 4 weekly installments of US $1,620 + 10% each over the 4 week in-going schedule of Artist’s principal photography services). All payments hereunder shall be payable on Company's regular payday in the week following the week in which such payments shall have accrued.

3.2 **Overages.** If Company requires Lender to cause Artist to render services in connection with the Picture, other than publicity services, after expiration of the Minimum Employment Period and/or Regular Post-Production Days, as applicable, Lender shall receive additional compensation at the applicable SAG Low Budget Scale rate plus 10% [Five Hundred Twelve United States Dollars and Sixty Cents (US $512.60)] per day.

3.3 **Contingent Compensation.** Upon the further condition that Artist appears recognizably in the Role in the Picture as released to the general public, an amount ("Contingent Compensation") equal to Ten Percent (10%) of One Hundred Percent (100%) of the "Adjusted Gross Receipts," if any, of the Picture. "Adjusted Gross Receipts" shall be defined, computed, paid and accounted for in accordance with Company’s and the Picture’s distributor(s)’ standard definition of Adjusted Gross Receipts (which definition shall be within customary standard industry parameters for engagements of this type), provided that such definition as applied to Lender shall be no less favorable than the corresponding definition as applied to any other participant in the Adjusted Gross Receipts. Company makes no representation that the Picture will generate any, or any particular amount of, Adjusted Gross Receipts. In addition, the parties acknowledge and agree that Lender shall be entitled to an additional bonus payment of Two Hundred Thousand United States Dollars ($200,000) in first position out of the first gross receipts of Company after recoupment of all production costs of the Picture (including but not limited to all financing costs and interest, whether or not budgeted), with such recoupment break point set at One Million One Hundred Thousand United States Dollars (US $1,100,000). Company agrees that Lender shall be entitled to such audit rights as are customarily granted for engagements of this type.

3.4 **Box Office Bonuses.** Upon the further condition that Artist appears recognizably in the Role in the Picture as released to the general public, (i) a “Box Office Bonus” of Fifty Thousand United States Dollars (US $50,000) at the break point in United States / Canada collective domestic theatrical box office receipts of Two Million Five Hundred Thousand United States Dollars (US $2,500,000), (ii) a “Box Office Bonus” of One Hundred Thousand United States Dollars (US $100,000) at the break point in United States / Canada collective domestic theatrical box office receipts of Three Million Five Hundred Thousand United States Dollars (US $3,500,000), (iii) a “Box Office Bonus” of One Hundred Fifty Thousand United States Dollars (US $150,000) at the break point in United States / Canada collective domestic theatrical box office receipts of Four Million Five Hundred Thousand United States Dollars (US $4,500,000) and (iv) a “Box Office Bonus” of Two Hundred Thousand United States Dollars (US $200,000) at the break point in United States / Canada collective domestic theatrical box office receipts of Five Million Five Hundred Thousand United States Dollars (US $5,500,000) as reported by Daily Variety within thirty (30) days of the applicable reporting. For the avoidance of doubt, Box Office Bonus(es), if any, shall not be applicable against Contingent Compensation.

3.5 **Nights, Weekends, Holidays, Travel Time, Work Time.** No increased or additional Fixed Compensation shall accrue or be payable to Lender for any of Artist's services rendered at night or on
Saturdays (or sixth days), Sundays (or seventh days) or holidays, or after the expiration of any particular number of hours of service in any period, or by reason of time spent by Artist travelling to or from any location where Lender may be required to cause Artist to render services in connection with the Picture.

Company hereby represents that no other person or entity associated with the Picture shall receive any other contingent compensation formulation (whether by way of percentage of receipts, fixed bonus or otherwise) that is more favorable than that accorded Lender or that in any way reduces Lender’s contingent compensation pursuant to this paragraph 3.

4. NO TRAVEL. Company shall only require Lender to cause Artist to render services hereunder (other than for publicity or promotional services) within the greater Los Angeles area. In the unlikely event that Company requires Lender to cause Artist to render services outside the greater Los Angeles area, the parties shall negotiate such travel and accommodations in good faith consistent with the parameters of this Agreement.

5. CREDIT.

5.1 Artist's Credit. Upon the conditions that (i) Lender and Artist fully perform all of the material services and obligations required to be performed hereunder, (ii) Lender and Artist are not in Default, and (iii) Artist shall appear recognizably in the Role in the Picture as released to the general public, Company shall accord Artist the following credit:

5.1.1 On Screen. On a separate card, below or after the title of the Picture, among the single card cast credits, in 1st position, in the main titles (i.e., where the individual credits for the principal cast and the director appear, whether located in the beginning or end of the Picture), of all positive prints of the Picture, in duration and in a size of type not less than the size of type used to display the name of any other cast member on screen. On a separate card, substantially in the form of “Executive Producer – _________,” in the main titles (i.e., where the individual credits for the principal cast and the director appear, whether located in the beginning or end of the Picture), in 2nd position among any other executive producers, of all positive prints of the Picture, in a size of type not less than the size of type used to display the name of any other producer or executive producer on screen whose name appears on screen.

5.1.2 In Paid Advertising. In the billing block portion of all paid advertising relating primarily to the Picture issued by, or under the direct control of, Company ("Paid Ads"), below or after the title of the Picture, among the Paid Ad cast credits (and Paid Ad producer credits, as applicable), in 1st position among cast and 2nd position among executive producers, in a size of type not less than the size of type used to display the name of any other cast member (or producer/executive producer, as applicable) in such Paid Ad.

5.2 Exclusions and Exceptions. Company’s Paid Ad credit obligations shall not apply to the following Paid Ads (hereinafter "Excluded Ads"): group, list, institutional or so-called teaser advertising; announcement advertising; advertising relating primarily to the source material upon which the Picture is based, or to the author, any member of the cast, the producer(s), writer(s) or any other personnel involved with the production of the Picture who are receiving so-called "award" or "congratulatory" advertisements, including advertisements or announcements relating to consideration or nomination for an award; trailers (including promotional films) or other screen, radio or television advertising; advertising in narrative form; advertising for film festivals, film markets and the like; advertising one-half page (or the equivalent in SAU’s) in size or less; outdoor advertising (including, but not limited to so-called 24-sheets);
theater display advertising; advertising in which no credit is accorded other than credit to one (1) or two (2) stars of the Picture and/or to Company and/or to any other company financing or distributing the Picture. The following shall not be considered Paid Ads or Excluded Ads for any purpose hereunder (“Other Uses”): videocassettes, videodiscs and other home video devices and the covers, packages, containers or jackets therefor; publicity and promotional items and materials; advertising relating to subsidiary or ancillary rights in the Picture (including, but not limited to novelizations, screenplays or other publications, products, merchandising, music publishing or soundtrack recordings); voiceovers, advertising, publicity and exploitation relating to by-products or commercial tie-ins; and other advertising not relating primarily to the Picture.

5.3 Credit In Excluded Ads. Notwithstanding anything contained herein, if any other cast member is accorded credit in any Excluded Ads or Other Uses (other than award, congratulatory or nomination type ads mentioning only the honoree, group ads, institutional ads and teasers), Artist also shall be accorded credit in such Excluded Ads or Other Uses.

5.4 Artwork Tie-Ins. If the name of any other cast member appears as part of or in connection with the artwork title of the Picture in Paid Ads, then the name of Artist shall also appear as part of or in connection with the artwork title of the Picture in such Paid Ads.

5.5 Likeness Tie-In. If the likeness of any other cast member appears in a Paid Ad or Excluded Ad or Other Uses (subject to the exceptions set forth in Paragraph 5.3 above), then the likeness of Artist shall also appear in such Paid Ad or Excluded Ad or Other Uses in a size not smaller than the likeness of any other cast member in such Paid Ad.

5.6 General Terms. All credit provisions herein are for credit issued by/under the control of Company and are subject to customary distributors’ exclusions and exceptions. All other matters with respect to Artist's credit shall be determined by Company in its sole discretion. Any reference to the "title" of the Picture shall be deemed to mean the "regular" title unless such reference is specifically made to the "artwork" title. Company shall provide notice of Artist’s credit provisions to any applicable third party distributor, but such distributor’s failure to provide credit as specified herein shall not constitute a breach of this Agreement by Company. No casual or inadvertent failure to comply with the provisions of this section nor any failure by third parties to comply with their agreements with Company shall constitute a breach of this Agreement by Company. In the event of Company's failure to comply with any of its Paid Ad obligations hereunder, Company shall, upon receipt of written notice of such failure, use reasonable efforts to correct such failure in Paid Ads on a prospective basis only, i.e., those Paid Ads (if any) prepared after Company's receipt of such notice (allowing for adequate time after receipt of notice to implement such correction).

6. UTILIZATION OF SERVICES; "PAY OR PLAY".

6.1 Company's Rights. Notwithstanding any contrary provision of this Agreement, Company shall have no obligation to engage Lender, to use Lender’s or Artist's services or to include the results and proceeds thereof in the Picture, or to develop, produce, release or otherwise exploit the Picture, and Company may at any time abandon development and/or production of the Picture and/or terminate Lender’s engagement and Lender’s and Artist's services in connection with the Picture for any reason, with or without cause. Lender and Artist hereby release and discharge Company from all liability for any loss or damage Lender or Artist may suffer as a result of Company's abandonment of the Picture and/or failure to develop, produce, release, distribute, advertise or otherwise exploit the Picture and/or failure to
Y: CONTRACTS – ACTOR - Principal Terms (Loan Out)

utilize Lender’s or Artist's services in connection with the Picture or termination of Lender’s engagement and Lender’s and Artist's services in connection with the Picture for any reason, with or without cause; provided, however, that if Company terminates Lender’s engagement and Lender’s and Artist's services on the Picture "without cause" after Artist has become "Pay or Play", as set forth below, Company shall remain obligated to pay Lender the Fixed Compensation in accordance with the terms hereof. If Company becomes obligated to pay to Lender any of the compensation provided for in Section 3 of this Agreement following a termination without cause pursuant to this Section and Artist performs services for any third party during the Minimum Employment Period (if Artist's services had not been terminated), Lender and Artist shall promptly notify Company in writing of the terms of such engagement and all sums payable to Lender and/or Artist for such third party services shall automatically offset and reduce (on a dollar-for-dollar basis) the amount payable by Company to Lender hereunder. (For purposes hereof, a "without cause" termination shall be a termination for any reason other than those set forth in the Standard Terms).

6.2 "Pay or Play". Artist shall be deemed to be "Pay or Play" for purposes of the preceding section upon notice in writing to Lender or Artist of Company's election to make Artist "Pay or Play" or when all of the following have occurred:

6.2.1 Company has approved, in its sole discretion, the final shooting script, budget and production and post-production schedules for the Picture; and

6.2.2 All principal cast members, the director and the producer(s) of the Picture have been made unconditionally "Pay or Play" for their Fixed Compensation; and

6.2.3 Company has advised Lender or Artist in writing that a firm date has been set for the commencement of principal photography.

Notwithstanding the foregoing, Artist shall be made “Pay or Play” for the Fixed Compensation no later than such time as Artist commences principal photography services on the Picture (Company hereby acknowledges that Lender is now “Pay or Play” for the Fixed Compensation set forth above).

7. NAME AND LIKENESS; FILM CLIPS.

7.1 Name and Likeness. Company shall have the right, in perpetuity and throughout the universe, to use, and to authorize others to use, Artist's name, image, voice, approved (in accordance with the provisions of Paragraph 7.3 below) likeness, attributes and/or biography (such biography to be in a form pre-approved by Artist) in connection with the production, exhibition, advertising, promotion and/or other exploitation of the Picture, and/or subsidiary and ancillary rights of any nature relating to the Picture or Artist's services hereunder, in any and all media, whether now known or hereafter devised, including without limitation, trailers and promotional films and/or videos (including so-called "music videos"), "behind-the-scenes" (which have been approved by Artist in accordance with Paragraph 7.6 below) , or other footage, interviews, excerpts from the Picture, new footage shot in connection with trailers or promotional films, featurettes, one-sheets, souvenir programs, press books, novelizations and other commercial publications, soundtrack recordings embodied in any form now known or hereafter devised, including the packaging therefor, and in sheet music and song books, approved (in accordance with the provisions of Paragraph 7.4 below) commercial tie-ins and approved (in accordance with the provisions of Paragraph 7.4 below) merchandising items of any nature; provided, however, that with respect to merchandising items and commercial tie-ins, Artist shall not be represented as using, consuming or
endorsing any product, commodity or service without Artist's consent. Notwithstanding the foregoing, if Lender or Artist does not furnish or approve Artist's biography within five (5) business days following Company's written request therefor (unless exigent circumstances require Lender’s or Artist's approval within a shorter period of time as specified by Company), Company shall have the right to use any non-approved biography of Artist in its discretion.

7.2 **Film Clips.** Lender hereby grants to Company the right to use and to authorize others to use film clips and excerpts from the Picture in which Artist appears recognizably (collectively, "Clips") in promotional films and/or videos (including so-called "music videos"), featurettes, approved (in accordance with the provisions of Paragraph 7.6 below) "behind-the-scene" footage and interviews relating to the Picture, and in connection with approved (in accordance with the provisions of Paragraph 7.4 below) commercial tie-ins, without any additional consideration to Lender or Artist therefor; provided, however, that if Company proposes to use any Clips in any films having a running time in excess of thirty (30) minutes, Company shall have the right to use such Clips therein automatically upon the payment to Lender of the minimum compensation required therefor pursuant to the Producer Screen Actors Guild Codified Basic Agreement regarding Low Budget Scale ("SAG Agreement") in effect as of the date of this agreement. Company shall not have the right to use film clips in subsequent productions (e.g., theatrical sequels and long-form television productions) without Artist’s approval.

7.3 **Stills and Likeness Approvals.**

7.3.1 **Stills Approval Right.** Artist shall have the right of approval of all photographic stills (but such approval shall not extend to any "key" or "poster" art in which any approved still appears) in which Artist appears alone (collectively "Stills") issued by or under the direct control of Company in connection with the advertising, publicity, promotion and exploitation of the Picture; provided, however, that Artist shall be required to approve not less than fifty percent (50%) of all Stills submitted to Artist in which Artist appears alone and not less than seventy-five percent (75%) of all Stills submitted to Artist in which Artist appears with others having still approval rights. Stills shall be submitted in the form of so-called "contact sheets" and in reasonable quantity. Artist shall have three (3) business days (reducible to two (2) business days if exigencies so require) from receipt of each set of Stills ("Approval Period") in which to approve of same. If Artist shall fail or refuse to approve, within said Approval Period, the requisite number of Stills so submitted, or shall fail to timely communicate to Company such approval or disapproval of the Stills, as provided herein, all Stills in the set so submitted shall be deemed approved. Company's submission of Stills to the address specified on page one hereof shall satisfy Company's submission requirements hereunder, and no casual or inadvertent failure by Company (or its representatives) to comply with the provisions hereof shall constitute a breach of this Agreement by Company. Once a Still is approved it shall be deemed approved for all uses of Artist's likeness permitted under this Agreement. Artist shall exercise the foregoing approval rights in a reasonable manner and not so as to frustrate Company's ability to timely and fully exploit the Picture.

7.3.2 **Non-Photographic Likenesses.** Artist shall have the right to consult with Company with respect to all non-photographic likenesses of Artist's face and head (but not including the positioning of Artist's likeness) ("Renditions") used by Company in connection with the advertising, promotion, publicity and exploitation of the Picture. If Artist when so consulted does not approve of any such Rendition, Artist must indicate to Company within three (3) business days (reducible to two (2) business days if exigencies so require) of receipt thereof the precise nature of Artist's disapproval, if any. Company shall show the revised Rendition to Artist and Artist must indicate to Company within three (3) business days (reducible to two (2) business days if exigencies so require) of receipt thereof the precise nature of
Artist's disapproval, if any. Artist shall exercise such right of approval reasonably and in a manner which will not frustrate Company’s ability to finalize said non-photographic likeness within the time available to Company for doing so. Any disapprovals must be given in a clear and unambiguous manner. If Company subsequently changes the Rendition pursuant to Artist’s request, then Company shall have the right to deem any such Rendition approved by Artist. In the event of any disagreement, Company's decision shall be final. Once a Rendition is approved, it shall be deemed approved for all uses of Artist's likeness permitted under this Agreement.

7.3.3 **Key and Poster Art.** Artist shall not have any approval rights with respect to the key and poster art for the Picture provided that Artist shall have the right to consult with Company with respect to the key and poster art for the Picture; provided, however, that Company may use a likeness of Artist (whether a Still or Rendition) in such key or poster art only if such likeness is one which has been approved by Artist in accordance with the provisions of the Agreement.

7.4 **Merchandising / Commercial Tie-Ins.** Subject to Artist’s reasonable prior written approval and negotiation of a reasonable and customary merchandising participation, Company may use Artist’s name, voice and/or likeness or that of a “look-alike” or “sound-alike” of Artist in merchandising and commercial tie-ins. Notwithstanding the foregoing, Artist acknowledges and agrees that she has pre-approved the use of her name in the billing block, other than for excluded categories (e.g., weapons, alcohol, tobacco, gambling-items, religious or hygiene products, etc.).

7.5 **Soundtrack Album.** Subject to Artist’s reasonable prior written approval and negotiation of a reasonable and customary soundtrack album royalty, Company may use Artist’s voice in a soundtrack album(s). Notwithstanding the foregoing, Artist acknowledges and agrees that she has pre-approved up to thirty (30) seconds of the incidental use of her voice on any soundtrack album.

7.6 **Bloopers/Outtakes/Behind-the-Scenes.** Subject to Artist’s reasonable prior written approval, Company may use Artist’s name, voice and/or likeness for material designated as bonus material and/or otherwise as bloopers, outtakes or behind-the-scenes footage. Subject to exigencies of production, Company shall use its good faith efforts to notify Artist in advance of the filming of any behind-the-scenes footage which includes Artist; provided that Company’s failure to do so shall not constitute a breach or default on the part of Company hereunder. Without limiting the above, Artist shall have a right of approval (not to be unreasonably withheld) with respect to any behind the scenes footage which includes Artist; provided that Artist agrees to approve a sufficient amount of behind the scenes footage for Company’s reasonable use in a connection with promotional films or other promotion for the Picture provided that a reasonable amount of behind the scenes footage was presented to Artist for approval.

8. **ARTIST'S APPEARANCE.** Artist will not materially change Artist's appearance (e.g., grow or shave a beard or mustache or change hair style or hair color) at any time between completion of pre-production makeup and hairstyling work and completion of all services in connection with the production and post-production of the Picture.

9. **DUBBING AND DOUBLING.** Company shall have the right to use the services of persons other than Artist (with or without the services of Artist) to "dub" or "double" Artist's acts, poses, appearance, voice or sound effects attributed to the character portrayed by Artist and to use the name, likeness, voice or other sound effects of Artist in connection therewith. Such doubling or dubbing of Artist's voice may be in English or any other language; provided, however, that Company shall provide Artist with the first
opportunity to dub Artist's voice in the English language, provided that Artist is available to do so upon two (2) weeks’ prior notice and there are no meaningful additional costs incurred by allowing Artist to do so, except in the following circumstances: (a) when necessary to expeditiously meet the requirements of foreign exhibition; (b) when necessary to expeditiously meet censorship or broadcast requirements, both foreign and domestic; (c) when Artist shall fail or refuse to render the required services, or when Artist is not readily available when and where Artist's services are reasonably required hereunder after reasonable prior notice thereof (it being agreed that Company shall use good faith efforts to try to schedule any such dubbing and doubling so as to accommodate Artist’s availability as notified by Artist to Company in writing); or (d) when, in Company's opinion, Artist's voice, accent or other performance hereunder, including singing and playing music, does not meet Company's requirements in connection with the Role. Any nudity, sex or simulated sex of Artist or Artist’s body double shall require Artist’s approval. The parties acknowledge that there is no depiction of nudity, sex or simulated sex in the final shooting script of the Picture.

10. PUBLICITY LIMITATIONS. Neither Lender nor Artist shall issue, release, authorize or in any way participate in any publicity, press releases, interviews, advertisements or promotional activities relating to Company, the Picture or Lender’s engagement or Lender’s or Artist's services hereunder without the prior written consent of Company, except personal publicity in which the Picture is only incidentally mentioned ("Personal Publicity"). No publicity issued by Lender or Artist, whether Personal Publicity or otherwise, shall contain derogatory mention of Company, the Picture, or the services of Lender or Artist or others in connection with the Picture. Neither Lender nor Artist may disclose any confidential information with respect to Company or the Picture (including, without limitation, the budget thereof or the terms of any contracts for services of persons engaged in connection with the Picture) without Company's prior consent, except that the foregoing shall not be construed so as to prohibit Lender or Artist from disclosing the terms of this Agreement to her representatives, or from using the financial terms of this Agreement as a “quote” for Artist’s services in connection with other motion pictures.

11. VIDEOCASSETTE/DVD. Provided that Lender and Artist have rendered all services which Company may require and that neither Lender nor Artist is in Default, Company shall provide Lender with one (1) VHS videocassette and one (1) DVD of the Picture at such time, if ever, as VHS videocassettes and DVDs of the Picture become generally commercially available. Said videocassette and DVD copies shall be used solely for Artist’s private home showing and library purposes, and in no event shall said videocassette and/or DVD copy be altered, duplicated or used for any commercial purpose or for profit.

12. PREMIERE. Company shall invite Artist and three (3) guests to the first East or West Coast celebrity premiere. Company shall reasonably request the Picture’s distributor provide first class travel and accommodations to Artist; however, unless such is provided for other principal cast, no travel or accommodations shall be provided by Company regarding such premiere.

13. EXERCISE OF CONSULTATION AND/OR APPROVAL RIGHTS. Consultation and/or approval rights, if any, granted to Lender or Artist hereunder shall be subject to the following: (i) Artist being available as, when and where reasonably required for the exercise of such rights; (ii) such rights being exercised in a reasonable manner and not so as to frustrate Company's full and timely development, production and/or exploitation of the Picture; (iii) such rights are personal to Lender and/or Artist and may not be exercised by any other person or entity; (iv) Company's determination shall be final with respect to any matter with respect to which Lender or Artist has consultation rights hereunder; and (v) Company shall not be obligated to incur any additional costs with respect to such consultation and/or approval
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rights. Upon Artist becoming "pay or play" hereunder, all approval rights with respect to matters relating to the principal photography of the Picture shall be deemed to be rights of consultation.

14. ENTIRE AGREEMENT/STANDARD TERMS. All other terms and conditions of Lender’s and Artist's services hereunder (including, without limitation, injunctive relief and Company's rights of suspension and/or termination in the event of Default, Disability or Force Majeure) are set forth in Company's Standard Terms and Conditions applicable to the services of actors (the "Standard Terms") attached hereto and incorporated herein by this reference. This Agreement (including the Standard Terms) constitutes the entire understanding of the parties hereto and replaces any and all former agreements, understandings and representations relating in any way to the subject matter hereof. No modification, alteration or amendment of this Agreement shall be valid or binding unless it is in writing and signed by the party to be charged with such modification, alteration or amendment.

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

CORP. FORMED FOR FILM, LLC

By: ______________________________
Its: ______________________________

___, INC.

By: ______________________________
Its: ______________________________

EXECUTION DATE: ________________
Y: CONTRACTS – ACTOR - Principal Terms (Loan Out)

As of _________

Corp. Formed for film, LLC
Address

Re: “TITLE” – ACTOR’S CORP, INC. f/s/o ACTOR NAME

Ladies/Gentlemen:

Reference is made to the agreement ("Agreement") dated concurrently herewith between you and ________, INC. for the services of __________, the undersigned, in connection with the above-referenced motion picture.

As a material inducement to you to enter into the Agreement, the undersigned hereby represents, warrants and agrees as follows:

1. I have heretofore entered into an agreement (the "Employment Agreement") with Lender requiring me to render services exclusively to Lender for at least the full term of the Agreement and authorizing Lender to enter into the Agreement and to furnish my rights and services to you upon the terms, covenants and conditions thereof.

2. I am familiar with all of the terms, covenants and conditions of the Agreement and hereby consent to the execution thereof; I shall be bound by and will duly observe, perform and comply with all of the terms, covenants and conditions of the Agreement as if I had executed it directly as an individual, even if the Employment Agreement should hereafter expire or be terminated or suspended, or if Lender should be dissolved or should otherwise cease to exist; I hereby confirm that there have been granted to Lender all of the rights granted by Lender to you under the Agreement; and I hereby join in and confirm all grants, representations, warranties and agreements made by Lender under the Agreement.

3. I am under no legal or other obligation or disability that would prevent or restrict me from performing and complying with any of the terms, covenants and conditions of the Agreement to be performed or complied with by me.

4. Unless I am deemed substituted for Lender as a direct party to the Agreement pursuant to paragraph 7, below, I will look solely to Lender and not to you for compensation for the services and rights I may render and grant to you under the Agreement and for the discharge of all other obligations of my employer with respect to my services under the Agreement.

5. You shall have all rights and remedies against me that you would have if I were your direct employee under the Agreement and you shall not be required to first resort to or exhaust any rights or remedies that you may have against Lender before exercising your rights and remedies against me.

6. I will indemnify and hold you and your parents, affiliates, subsidiaries, employees, directors, officers, agents, successors, assigns and licensees, and each of them, harmless from and against any and all taxes which you may have to pay and any and all any and all liabilities, judgments, losses, claims, demands, damages, penalties, interest, costs and expenses of every kind whatsoever (including, without limitation, reasonable outside attorneys’ and outside accountants’ fees and disbursements) which may be obtained against, imposed upon or suffered by you or any of the aforementioned parties or which you or
Y: CONTRACTS – ACTOR - Principal Terms (Loan Out)

any of such parties may incur by reason of your failure to deduct and withhold from the compensation payable under the Agreement any amount required or permitted to be deducted and withheld from the compensation of an employee under the provisions of any current state or federal statute and/or any amendments thereof and/or any statutes hereafter enacted requiring the withholding of any amount from the compensation of an employee. Inasmuch as you have the right to control my services and I am your "special employee" for purposes of all applicable workers' compensation laws, the rights and remedies of the undersigned and/or my heirs, executors, administrators, successors, and assigns shall be governed by and limited to those provided under such workers' compensation statutes if I should suffer or incur any injury, illness, disability or death arising out of or occurring in the course of my special employment pursuant to the Agreement.

7. If Lender or its successors in interest should be dissolved or should otherwise cease to exist, or for any reason should fail, refuse or neglect to perform, observe or comply with the terms, covenants and conditions of the Agreement, I shall, at your election, be deemed to be employed directly by you for the balance of the term of the Agreement upon the terms, covenants and conditions set forth therein.

8. If you serve Lender with any notices, demands or instruments relating to the Agreement or the rendition of my services thereunder, such service upon Lender shall constitute service upon me.

    Very truly yours,

    ________________________________
    ACTOR NAME

Execution Date: ____________________
"FILM TITLE"

CERTIFICATE OF ENGAGEMENT
(Loanout)

CORPORATION FORMED FOR FILM, LLC ("Producer"), whose address is
____________________________ has engaged, pursuant to Actor’s Agreement Loanout dated as of
________ (the “Agreement”), ______, Inc. ("Employer"), a California corporation, Federal I.D.
# ______ whose address is __________________________ to furnish the acting, labor and other
services of ____________ ("Employee"), Social Security # ______, in connection with the motion
picture presently entitled “TITLE” ("Picture").

For good and valuable consideration, receipt of which is hereby acknowledged, Employer and
Employee hereby acknowledge, certify and agree that all results and proceeds of every kind of services
heretofore and hereafter to be rendered by Employer and/or Employee in connection with the Picture,
including without limitation any performance by Employee and all ideas, suggestions, themes, plots,
stories, characterizations, dialogue, titles and other material, whether in writing or not in writing, at any
time heretofore or hereafter created or contributed by Employer and/or Employee which in any way
relate to the Picture or to the material on which the Picture will be based (collectively, "Material"), are
and shall be deemed to be works made for hire for Producer. Accordingly, Producer is and shall be
considered the author and, at all stages of completion, the sole and exclusive owner of the Material and
all right, title and interest therein ("Rights"). The Rights shall include without limitation all copyrights,
neighboring rights, trademarks and any and all other ownership and exploitation rights in the Material
now or hereafter recognized in any and all territories and jurisdictions including, by way of illustration,
production, reproduction, distribution, adaptation, performance, fixation, rental and lending rights,
exhibition, broadcast and all other rights of communication to the public, and the right to exploit the
Material throughout the universe in perpetuity in all media, markets and languages and in any manner
now known or hereafter devised, subject to any applicable restrictions and approvals as may be
specified in Employer and Employee's loanout agreement for the Picture. If under any applicable law
the Material is not deemed or otherwise considered a work made for hire, then to the fullest extent
allowable and for the full term of protection otherwise accorded to Employer and/or Employee under
such applicable law (including any and all renewals, extensions and revivals thereof), Employer and
Employee hereby assign and transfer to Producer the Rights and, in connection therewith, any and all
right, title and interest of Employer and/or Employee in the Picture and any other works now or
hereafter created containing the Material.

Employer and Employee hereby grant Producer the right to change, add to, take from, translate,
reformat or reprocess the Material in any manner Producer may in its sole discretion determine. To the
fullest extent allowable under any applicable law, Employer and Employee hereby irrevocably waive
or assign to Producer their so-called "moral rights" or "droit moral". Employer and Employee expressly acknowledge that many parties will contribute to the Picture and other works that will
embody all or part of the Material. Accordingly, if under any applicable law the above waiver or
assignment by Employer or Employee of "moral rights" or "droit moral" is not effective, then
Employer and Employee agree to exercise such rights in a manner which recognizes the contribution
of and will not have a material adverse effect upon such other parties.
Producer, on the one hand, and Employer and Employee, on the other, acknowledge and agree that the following sums are in consideration of, and constitute equitable remuneration for, the rental right included in the Rights: (i) an agreed allocation to the rental right consistent with terms of the applicable Screen Actors Guild Basic Agreement related to productions filmed pursuant to the Modified Low Budget Scale of the fixed compensation and, if applicable, the contingent compensation payable by Producer to Employer for Employee's services in connection with the Picture; (ii) any sums payable to Employer or Employee with respect to the rental right under any applicable collective bargaining or other industry-wide agreement; and (iii) any residuals payable to Employer or Employee under any such collective bargaining or other industry-wide agreement with respect to home video exploitation which are reasonably attributable to sale of home video devices for rental purposes in the territories or jurisdictions where the rental right is recognized. If under the applicable law of any territory or jurisdiction any additional or different form of compensation is required to satisfy the requirement of equitable remuneration, then it is agreed that the grant to Producer of the rental right shall nevertheless be fully effective, and Producer shall pay Employer or Employee such compensation or, if necessary, the parties shall in good faith negotiate the amount and nature thereof in accordance with applicable law.

Since Producer has already paid or agreed to pay Employer and Employee equitable remuneration for the rental right, Employer and Employee hereby assign to Producer all compensation for the rental right payable or which may become payable to Employer or Employee on account or in the nature of a tax or levy, through a collecting society or otherwise. Employer and Employee shall cooperate fully with Producer in the collection and payment to Producer of such compensation. Further, since Producer has already paid or agreed to pay Employer and Employee full consideration for all services rendered and rights granted by Employer and Employee hereunder, Employer and Employee hereby assign to Producer all other compensation payable or which may become payable to Employer or Employee on account or in the nature of a tax or levy, through a collecting society or otherwise, under the applicable law of any territory or jurisdiction, including by way of illustration only, so-called blank tape and similar levies. Employer and Employee shall cooperate fully with Producer in connection with the collection and payment to Producer of all such compensation. The terms of this paragraph shall apply in connection with services not covered by the applicable WGA, DGA or SAG basic agreements.

Employer and Employee will upon request execute, acknowledge and deliver to Producer any and all documents consistent herewith which Producer may reasonably deem necessary to evidence and effectuate all or any of Producer's rights hereunder. Employer and Employee hereby irrevocably appoint Producer as attorney-in-fact with full power to execute, acknowledge, deliver and record in the U.S. Copyright Office or elsewhere any and all such documents Employer or Employee fail to execute, acknowledge and deliver within 5 business days after Producer's request therefor and furnishing of copies, unless a shorter period of time is reasonably required by Producer. The appointment shall be a power coupled with an interest. Producer shall provide Employer with a copy of any such document Producer executes on behalf of Employer and/or Employee, provided that a failure by Producer to send such a copy shall not constitute a breach hereof.

Employer and Employee hereby grant to Producer the right to issue and authorize publicity concerning Employee, and to use Employee's name, voice, likeness and biographical data in connection with the distribution, exhibition, advertising and other exploitation of the Picture, subject to
Z: CONTRACTS – ACTOR - Certificate of Engagement

any applicable restrictions and approvals as may be specified in Employer and Employee's loanout agreement for the Picture.

Employer and Employee represent and warrant that: Employer and Employee are free to grant all rights herein granted and to make all agreements made by Employer or Employee herein; neither Employer nor Employee has made, and will not make, any grant or assignment which will conflict with or impair the complete and quiet enjoyment of Producer's rights hereunder; Employer and Employee are not subject to any conflicting obligations or any disability which will prevent or interfere with the performance of Employee's services; and to the extent required by law and/or applicable collective bargaining agreements Employee is a member in good standing of such labor organization having jurisdiction hereunder.

Employer and Employee further represent and warrant that: the Material (other than any written material supplied by Producer to Employer or Employee or incorporated by Producer into any Material written by Employee) is or will be original with Employee (or provided Employer or Employee notifies Producer thereof, is in minor part in the public domain); any Material written by Employee has not been copied in whole or in part from, or based on, any other work except that submitted by Producer to Employer or Employee as a basis for the Material; the Material has not been exploited in any manner and/or medium; the Material is not and will not be based in whole or in part on the life of any real person except as approved in writing in advance by Producer; any Material contributed in writing by Employee does not and will not infringe upon the copyright of any person or entity, and any other Material contributed by Employee, to the best of Employer's and Employee's knowledge (including that which they should have known in the exercise of reasonable prudence), does not and will not infringe upon the copyright of any person or entity; and, to the best of Employer's and Employee's knowledge (including that which they should have known in the exercise of reasonable prudence), the Material does not and will not constitute a libel or slander of any person or entity or infringe upon or violate the right of privacy or any other right of any person or entity.

Employer and Employee further represent and warrant that: Employer is a bona fide corporation duly organized and existing under the laws of the state of its incorporation; to the extent required by law, Employer has workers' compensation insurance covering Employee and will maintain the same at all times while Employee is rendering services hereunder; and that Employee is under an exclusive contract of employment with Employer for a term extending at least until the completion of all services required of Employee hereunder, which contract gives Employer the right to loan or furnish the services of Employee to Producer.

Employer and Employee shall indemnify Producer against any and all liability, damages, costs and expenses (including reasonable outside attorneys' fees and costs) in connection with any third party claim or action arising out of the breach of any of their representations, warranties or agreements herein. Producer shall indemnify and defend Employer and Employee against any and all liability, damages, costs and expenses (including reasonable attorneys' fees and costs) in connection with any third party claim or action (other than those arising out of a breach of Employer's or Employee's representations, warranties or agreements hereunder or out of any criminal misconduct or malicious or willful acts by Employer or Employee) in connection with Producer's development, production, distribution or exploitation of the Material, Picture and/or any element thereof or therein.

Employer and Employee shall be covered as additional insureds by the errors and omissions and general liability insurance policies for the Picture to the extent that Producer obtains and maintains
such policies and shall be subject to the terms, conditions and restrictions of such policies and endorsements thereto.

Employer and Employee hereby covenant and agree that Employer and Employee shall not have or be deemed to have any lien, charge or other encumbrance upon any of the rights conveyed to Producer herein or proceeds derived therefrom, and that no act of or omission by Producer, nor any other act, omission or event of any kind, shall terminate or otherwise adversely affect Producer's ownership of the rights conveyed herein. Employer's and Employee's sole remedy for any breach or alleged breach hereof by Producer shall be an action at law to recover such damages as may have been actually suffered by them as a result thereof.

Without limiting the foregoing, Producer's obligation to engage any of Employee's services with respect to the Picture is subject to the condition precedent of Producer acquiring all necessary rights to the underlying property for the Picture.

The terms hereof are subject to the terms of the Agreement.

Executed as of ______________

______________, INC.

By: _________________________

Its: _________________________

ACKNOWLEDGED AND AGREED:

COMPANY FORMED FOR FILM, LLC
("Producer")

By: _________________________

Its: _________________________
STANDARD TERMS AND CONDITIONS

(Actor's Agreement – Loanout)

These Standard Terms and Conditions ("Standard Terms") are part of, and are incorporated into, that certain agreement ("Underlying Agreement"), dated as of _______, between CORP. FORMED FOR FILM, LLC ("Company"), and ________, INC. (Fed.I.D.# __________) ("Lender") for the acting, labor and other services of ____________ ("Artist") in connection with the motion picture tentatively entitled "TITLE" ("Picture"). These Standard Terms and the Underlying Agreement shall hereinafter be collectively referred to as the "Agreement." Unless expressly provided to the contrary herein, (i) all terms used herein shall have the same meaning as set forth in the Underlying Agreement and (ii) to the extent that any provision of these Standard Terms conflicts with any provision of the Underlying Agreement, the Underlying Agreement shall control. The term "Section(s)" refers to the numbered provisions of the Underlying Agreement and the term "Paragraph(s)" refers to the numbered provisions of the Standard Terms.

1. **ARTIST'S SERVICES.** Lender acknowledges and agrees that Artist's services on the Picture will be rendered either alone or in cooperation with other persons in such manner as Company may reasonably direct, under the instructions and in strict accordance with the reasonable controls and schedules established by Company's authorized representatives and at the times, places and in the manner reasonably required by said representatives. Such services shall be rendered in an artistic, conscientious, efficient and expeditious manner to Artist's best ability and with full regard to the careful, efficient, economical and expeditious production of the Picture within the budget, shooting schedule and policies established by Company, it being understood that Company's production of motion pictures involves matters of discretion to be exercised by Company in respect to art and taste and Artist's services and the manner of rendition thereof are to be governed by Company.

2. **COMPANY'S OWNERSHIP RIGHTS; DROIT MORAL.** Company hereby is and shall be the sole and exclusive owner and is the sole author for all purposes (including, but not limited to, under the Copyright laws of the United States), in perpetuity and throughout the universe, of all of the following from the moment of their creation, at every stage of their development or completion: (i) all right, title and interest in and to the Results and Proceeds (as defined below) of Lender’s and/or Artist's services hereunder, all of which shall be a "work made for hire" for Company prepared within the scope of Lender’s and/or Artist's employment and/or as a work specially ordered or commissioned for use as a part of a motion picture or other audio-visual work; (ii) all right, title and interest in and to the Picture and the material upon which it is based, including, but not limited to, the copyright in and to the Picture and any renewals and extensions of such copyright and all moral rights of authors with respect thereto; (iii) all distribution, exhibition, exploitation, allied, ancillary and/or subsidiary rights with respect to the Picture and/or the Results and Proceeds in any and all media, whether now or hereafter known, including, without imitation, theatrical, non-theatrical, pay-per-view, home video (including videocassettes, digital videodiscs, laserdiscs and all other formats), all forms of television (including pay, free, network, syndication, cable, satellite and digital), video-on-demand, and all forms of digital distribution and/or transmission (including, without limitation, the internet); (iv) all other tangible and intangible rights of any
nature relating to, and all proceeds and benefits of any nature derived from, the Picture and/or the Results and Proceeds; and (v) all right, title and interest in and to the character portrayed by Artist in the Picture, including, without limitation, the right to (a) utilize such character in sequels, remakes, television programs and other productions without any obligation to Lender or Artist and/or (b) to merchandise or otherwise exploit such character (without using Artist's name or identifiable likeness) with no obligation to Lender or Artist. Without limiting the foregoing, in the event that any of the Results and Proceeds are not deemed to be a "work made for hire" for Company, Lender and Artist hereby irrevocably and exclusively assign to Company (or if any applicable law prohibits or limits such assignment, Lender and Artist hereby irrevocably license to Company) all right, title and interest in and to such Results and Proceeds (including all copyrights therein and thereto and all renewals and extensions thereof), and all rights to exploit the same throughout the universe, in perpetuity, in any and all media, whether now known or hereafter devised. Lender and Artist hereby waive any so-called "moral rights of authors" and "droit moral" rights (and any similar or analogous rights under the applicable laws of any country of the world) which Lender and/or Artist may have in connection with the Picture or the Results and Proceeds. Lender and Artist further hereby irrevocably assign to Company (or if any applicable law prohibits or limits such assignment, Lender and Artist hereby irrevocably license to Company), in perpetuity throughout the universe, all of Lender’s and Artist's rights, if any, to authorize, prohibit and/or control the renting, lending, fixation, reproduction and/or other exploitation of the Picture by any media and/or means now known or hereafter devised as may be conferred upon Lender and/or Artist under applicable laws, regulations or directives, including, without limitation, any so-called "Rental and Lending Rights" pursuant to any European Union ("EU") directives and/or enabling or implementing legislation, laws or regulations enacted by the member nations of the EU. As used herein, "Results and Proceeds" shall mean all results and proceeds of Lender's engagement and Lender’s and Artist’s services under this Agreement or otherwise relating to the Picture, including all themes, plot, characters, ideas and story contained therein and all other related materials of any kind created by Lender or Artist during the period of Lender’s and Artist's exclusive services hereunder and all so-called "moral rights of authors" or "droit moral" rights (and/or any similar or analogous rights under any applicable law of any jurisdiction) with respect to any of the foregoing, and the right to make such changes therein and/or uses thereof as Company shall from time to time determine in its sole discretion, subject only to the terms and conditions of the Underlying Agreement.

3. INJUNCTIVE RELIEF. Lender and Artist acknowledge and agree that the services to be rendered by Lender and Artist hereunder are of a special, unique, unusual, extraordinary and intellectual character, making them difficult to replace and giving them a peculiar value, the loss of which cannot be reasonably compensated in damages in an action at law; that if Lender or Artist breaches any provision of this Agreement, Company may be caused irreparable damage; and that, therefore, Company shall be entitled, as a matter of right, at its election, to seek to enforce this Agreement and all of the provisions hereof by injunction or other equitable relief.

4. SUSPENSION AND TERMINATION.

4.1 Suspension.

4.1.1 Company's Suspension Rights. Lender’s engagement, Lender’s and Artist’s services, and the accrual of compensation hereunder shall be automatically suspended (unless Company notifies Lender otherwise) during all periods when:
A. Disability. Artist is unable to perform Artist's material obligations hereunder by reason of mental or physical disability (including the death of Artist) ("Disability"). If any claim of Disability is made by or on behalf of Artist, Company shall have the right to have Artist examined by such physician(s) as Company may designate, with Artist's physician present (at Artist's sole cost) if Artist so requests, provided that such physician does not unreasonably interfere with the examination conducted by Company's physician;

B. Default. Lender or Artist fails, refuses or neglects to comply with Lender's or Artist's material obligations, respectively, hereunder or (directly or through any representative) states an intention to do so ("Default"); provided, however, that if (y) such Default is inadvertent (i.e. not intentional or repeated) and is by its nature reasonably curable and (z) allowing Lender or Artist to cure such Default will not result in additional expense to Company, then on a one-time-only basis Lender and Artist shall have a period of forty-eight (48) hours [reducible to twenty-four (24) hours during periods of principal photography] from the date of notice from Company of such Default within which to cure the first such Default; and/or

C. Force Majeure. As a result of any Act of God; war; accident; fire; earthquake; strike; lock-out or other labor controversy; riot; civil disturbance; act of public enemy; law, enactment, rule, restraint, order or act of any governmental instrumentality or military authority; failure or inability to obtain any necessary permit or license; failure of technical facilities; inability to obtain sufficient labor, technical or other personnel (including, without limitation, cast or crew members); failure, delay or reduction in transportation facilities or water, electricity or other public utilities; death, disability, disfigurement (with respect to cast only), or inability to obtain health insurance for a principal member of the cast, the director, any producer or key crew member or inability to obtain visas, labor permits or other governmental licenses for any such persons (other than Artist); or any other cause not reasonably within Company's control or which Company could not by reasonable diligence have avoided, Company is hampered in the development or production of the Picture or Company's normal business operations become commercially impracticable ("Force Majeure"). Notwithstanding the foregoing, Company shall not suspend Artist's services due to an event of Force Majeure unless the services of all principal cast members have also been suspended (exclusive of any person whose suspension might cause Company to lose rights in the material on which the Picture is based).

4.1.2 Effect of Suspension. If any such Force Majeure, Disability or Default should occur prior to the Start Date, the Start Date may be postponed by Company for a period equal to the duration of such Force Majeure, Disability or Default, and (unless Company gives Lender notice to the contrary) such postponement shall not be deemed a suspension of this Agreement, Lender's engagement, or Lender's or Artist's services hereunder; provided, however, that Company may reduce the period of postponement in its own discretion upon notice thereof to Lender. Any suspension shall be for the duration of any such Force Majeure, Disability or Default plus such reasonable period of time as may be deemed necessary by Company to commence or recommence development or production of the Picture (not to exceed two (2) weeks) and, unless Company notifies Lender in writing to the contrary, Lender’s engagement and Lender’s and Artist's services hereunder shall be automatically extended by such number of days as equal the total number of days of such suspension. A suspension hereunder shall not relieve Lender or Artist of any of Lender’s or Artist's obligations to perform hereunder. During any suspension, Artist shall not render any services for others, for Lender, or for himself/herself in the field of entertainment, except that during a suspension predicated on Force Majeure, Artist may render such other services, provided that any and all commitments for such services are subordinate to the obligations of Lender and Artist hereunder,
including Artist's obligation to resume rendering services to Company promptly upon termination of the
suspension. If Company terminates any Force Majeure suspension hereunder, Company may not
thereafter re-suspend Lender’s engagement and Lender’s and Artist's services based upon the same
continuous event of Force Majeure. Payment of any compensation accrued and unpaid prior to the
suspension shall be subject to all of Company's rights and remedies (including the right of offset) for
Lender’s and/or Artist's Default.

4.2 Termination.

4.2.1 Termination Rights of the Parties.

A. Lender's Termination Right. If a suspension predicated on Force Majeure (excluding a strike by a guild or union of which Artist is a member ["Own-Union Strike"]) continues for six (6) or more consecutive weeks or for an aggregate of eight (8) or more weeks, Lender may give Company written notice of Lender's desire to terminate this Agreement, and unless Company terminates such suspension within seven (7) business days after its receipt of such notice and resumes payment to Lender pursuant to this Agreement (which shall resume the running of the Minimum Employment Period under the Agreement), this Agreement shall terminate.

B. Company's Termination Rights. Company shall have the right to terminate Lender’s engagement and Lender’s and Artist's services upon the occurrence of any of the following by delivering written notice to Artist:

(i) Artist's Disability continuing for either three (3) days during Artist's rendition of Pre-Production Services or services in connection with the principal photography of the Picture or at any other time, seven (7) or more consecutive days or an aggregate of fourteen (14) or more days at any other time;

(ii) Default (subject to Lender’s and Artist’s right to cure, if applicable, as provided above);

(iii) If an event of Force Majeure: (aa) occurs prior to or on the Start Date; or (bb) occurs after the Start Date and continues for six (6) or more consecutive weeks or for an aggregate of eight (8) or more weeks (such period to be reduced to two (2) weeks during Artist's rendition of Pre-Production Services and services in connection with the principal photography of the Picture); or (cc) arises from an Own-Union Strike; or (dd) affects development and/or production in a manner incapable of being corrected within the foregoing time periods; or (ee) has an impact that, at the time of onset, can reasonably be expected to continue for not less than two weeks. Notwithstanding the foregoing, Company shall not terminate Artist’s services due to an event of Force Majeure unless the services of all other principal cast members have also been terminated (exclusive of any person whose termination might cause Company to lose rights in the material on which the Picture is based); or

(iv) Any event or contingency expressly provided for in this Agreement in accordance with the terms thereof.

4.2.2 Effect of Termination. If Lender or Company terminates this Agreement in accordance with the provisions of this Paragraph 4, Company shall be released and discharged from any liability or
obligation whatsoever to Lender and Artist hereunder; provided, however, that if Company terminates this Agreement pursuant to this Paragraph 4 for any reason other than Lender's or Artist's Default, Lender shall be entitled to receive that portion of the Fixed Compensation that has theretofore accrued and become payable to Lender pursuant to the Agreement for services rendered by Artist prior to the date of such termination, (b) if Artist appears recognizably in the Role in the Picture as initially released to the general public, Lender also shall be entitled to the vested portion of the Contingent Compensation, if any, that becomes payable pursuant to the terms of this Agreement (which vested portion shall equal the proportion that the Fixed Compensation actually earned prior to such termination bears to the total Fixed Compensation set forth in this Agreement), (c) if Artist appears recognizably in the Role in the Picture as initially released to the general public, Artist also shall be entitled to receive credit in accordance with the terms of this Agreement, and (d) the insurance and indemnity provisions contained in this Agreement shall survive any such termination.

4.3 Company's Breach. No act or omission of Company hereunder shall constitute an event of Default or breach of this Agreement unless Lender shall first notify Company in writing setting forth such alleged breach or Default and Company shall not cure the same within thirty (30) days (which period shall be reduced to five (5) business days if such alleged breach or Default concerns a payment which has become due and payable to Lender and neither the accrual of such payment, nor the amount of such payment, is in dispute) after receipt of such notice.

4.4 Other Agreements. Any breach or Default by Lender or Artist of any other agreement between Company and Lender or Artist for Artist's services in connection with the Picture ("Other Services Agreements") shall constitute a breach or Default by Lender and Artist under this Agreement. Any breach or Default by Lender or Artist under this Agreement shall constitute a breach or Default by Lender and Artist under the Other Services Agreements. No breach or Default by Lender or Artist under this Agreement or under the Other Services Agreement shall affect Company's acquisition of rights in connection with the Picture (or any material upon which the Picture is based or which is incorporated therein) pursuant to any rights agreement with Lender, Artist or any other third parties.

5. NOTICES. All notices required hereunder shall be in writing and shall be given either by personal delivery, telecopy/facsimile or by federal mail (postage prepaid), and shall be deemed given hereunder on the date personally delivered or telecopied, or the date two (2) business days after the date mailed if mailed in the United States, and five (5) business days after the date mailed if mailed outside of the United States. Until further notice, the addresses of the parties shall be as follows:

5.1 For Lender, as indicated in the Underlying Agreement.

5.2 For Company:
Corp. Formed For Film, LLC
Address
Fax No.: (__________

With a simultaneous courtesy copy to:
Production Attorney
Address
Fax No:__________
6. REPRESENTATIONS AND WARRANTIES. Lender and Artist represent and warrant that:

6.1 Authority and Non-Interference. Lender is free to enter into this Agreement and to furnish Artist’s services in connection with this Agreement; Artist has the right to render services in accordance with the terms and conditions hereof; Lender is obligated to pay Artist at least the applicable annual guarantee required under Section 3423 of the California Civil Code (or the analogous provisions of any other applicable State’s civil code); neither Lender nor Artist is subject to any obligation or disability of which they are aware which would materially interfere with or prevent the full performance by Lender or Artist of Artist’s services hereunder; and neither Lender nor Artist has done, nor will Lender or Artist do, any act, and neither Lender nor Artist has made, nor will Lender or Artist make, any grant or assignment, which will or might materially interfere with the complete enjoyment of the rights and privileges herein granted to Company.

6.2 Created Material. All material, works, writings, ideas, "gags" or dialogue written, composed, prepared, submitted or interpolated by Artist in connection with the Picture or its preparation or production, shall be wholly original with Artist and shall not be copied in whole or in part from any other work, except that material submitted to Lender or Artist by Company for inclusion in and included in the Picture.

7. INDEMNITY. Lender and Artist shall indemnify and hold Company, its parents, affiliates, subsidiaries, employees, directors, officers, agents, successors, assigns and licensees, and each of them, harmless from and against any and all liabilities, judgments, claims, demands, damages, penalties, interest, costs and expenses of every kind whatsoever (including, without limitation, reasonable outside attorneys' and outside accountants' fees and disbursements) (collectively, "Expenses") suffered or incurred by Company, the aforementioned parties and/or any of them, arising out of or resulting from any Default by Lender and/or Artist, or any breach by Lender and/or Artist of their respective representations, warranties, undertakings and/or agreements hereunder and/or resulting from Lender’s and/or Artist’s intentionally tortious or grossly negligent conduct. Company shall defend (selecting its own counsel), indemnify and hold Lender and Artist harmless from and against any and all Expenses suffered or incurred by Lender and/or Artist, arising out of or by reason of or resulting from any third party claim based upon material submitted by Company to Lender or Artist for inclusion in and included in the Picture and/or by reason of any third party claim arising out of Company's production, distribution and/or exploitation of the Picture or any ancillary rights therein; provided, however, that the foregoing indemnification shall not apply to any Expenses or third party claims arising out of or resulting from Lender’s or Artist's intentionally tortious or grossly negligent conduct or from any breach of Lender’s and/or Artist's covenants, representations or warranties hereunder. Notwithstanding the preceding sentence, in connection with any claim arising out of the production, distribution, or exploitation of the Picture which alleges that material contained in the Picture constitutes a breach by Lender or Artist of Lender’s and/or Artist’s representations and warranties hereunder (hereinafter, "Claim"), Company shall defend Lender and Artist against any such Claim provided that Lender and Artist cooperate fully with Company in connection with the defense thereof and subject to the following: (i) Company shall control the defense of any such Claim and shall have the right to dispose of and/or settle such Claim as Company deems appropriate, and (ii) Company shall reserve all rights, both in equity and at law, against Lender and Artist (including the right to recover any Expenses incurred by Company in connection with the defense, settlement or other disposition of any such Claim) to the extent such Claim arises out of a breach by Lender or Artist of
Lender’s and/or Artist’s representations and warranties hereunder. With respect to any action brought by Company against Lender or Artist pursuant to subparagraph (ii) above, such action will be deemed to accrue on the date on which Company requests that Lender or Artist reimburse Company for Company's Expenses incurred in defending a Claim following a final disposition thereof. Nothing contained in this Paragraph shall affect the computation of Lender’s Contingent Compensation, if any, in connection with the Picture or limit in any respect the amounts deductible by Company as distribution expenses, costs of production or otherwise in computing such participation.

8. COMMITMENTS TO OTHERS. Lender and Artist shall not have the right or authority to, and shall not, (i) employ any person in any capacity, (ii) contract for the purchase or rental of any article or material, or (iii) make any commitment, agreement or obligation whereby Company shall be required to pay any monies or other consideration, without Company's prior written consent in each instance.

9. RIGHT TO WITHHOLD. Company shall have the right to deduct and withhold from any sums payable to Lender hereunder (i) any amounts required to be deducted and withheld by Company pursuant to any present or future law, ordinance or regulation of the United States or of any state thereof or any subdivision of any state thereof, or of any other country, including, without limitation, any country wherein Artist performs any services hereunder, or pursuant to any present or future rule or regulation of any union or guild (if any) having jurisdiction over the services to be performed by Artist hereunder; and (ii) any expenses, including union or guild dues or other fees paid by Company on Lender’s and/or Artist's behalf.

10. INSURANCE.

10.1 Company’s Insurance Rights. Company shall have the right to apply for and take out, at Company's expense, life, health, accident, cast or other insurance covering Artist, in any amount Company deems necessary to protect Company's interest hereunder. Neither Lender nor Artist shall have any right, title or interest in or to such insurance. Artist shall assist Company in obtaining such insurance by submitting to usual and customary medical and other examinations, and by signing such applications, statements and other instruments as may be reasonably required by any insurance company. Artist may have Artist's own physician present at any such examination at Artist’s own expense. In the event Artist fails or is unable to qualify for such insurance at customary rates and subject only to customary exclusions and deductible amounts (if any), Company shall have the right to terminate this Agreement; provided, however, that Company shall not exercise such termination right if Artist promptly pays the excess over the normal cast insurance policy premium, but only if: (i) the condition to Artist's insurability hereunder is a single money payment of excess premium and not a policy exclusion or any other condition related to the production of the Picture, and (ii) Company, in Company's reasonable judgment, believes that the cause of the premium increase does not constitute a substantial risk to the timely completion of the Picture. During the term of this Agreement, Artist shall not travel on any chartered or unscheduled airline or plane, unless requested to do so by Company, or engage in any conduct prohibited by any policy of insurance obtained by Company in accordance with this Agreement.

10.2 Company's Insurance Obligations. Lender and Artist shall be covered on Company's errors and omissions insurance policy for the Picture, subject to the restrictions, limitations, terms and exclusions of said policy. In addition, Lender and Artist shall, as and to the extent Artist is deemed an employee of Company, be covered on Company's general liability insurance policy for the Picture in connection with Artist's services under this Agreement and/or the Picture, subject to the restrictions,
limitations, terms and exclusions of said policy. The foregoing shall not be construed so as to limit or otherwise affect any obligation, representation, warranty or agreement of Lender or Artist or so as to require Company to obtain and/or maintain any such insurance policies.

11. **SAG AGREEMENT AND MEMBERSHIP.** To the extent that any provision of this Agreement conflicts with the mandatory provisions of the applicable Screen Actors Guild Basic Agreement related to productions filmed pursuant to the Modified Low Budget Scale ("SAG Agreement"), the provisions of the SAG Agreement shall prevail; provided, however, that in such event the Agreement shall be limited only to the extent necessary to permit compliance with the minimum mandatory terms and conditions of the SAG Agreement, and Company shall be entitled to the maximum benefits and shall be deemed to have the maximum rights provided in the SAG Agreement and any other applicable collective bargaining agreement. To the extent and during such periods as it may be lawful for Company to require Artist to do so hereunder, Artist is or shall become and remain a member in good standing of SAG or otherwise eligible to perform services pursuant to the SAG Agreement and/or applicable laws. If Lender fails to be or remain a signatory, or if Artist fails, neglects or refuses to become and remain a member in good standing of SAG (or otherwise eligible to perform services pursuant to the SAG Agreement), Company shall have the right, at Company's sole election (in addition to the exercise of Company's other rights and remedies hereunder), to terminate this Agreement, or to pay on Lender's and/or Artist's behalf any required dues, fees or other payments to SAG to qualify Artist as a member in good standing (or to qualify Artist to be eligible to perform services pursuant to the SAG Agreement) and to deduct the amounts so paid by Company from any compensation otherwise payable to Lender hereunder. If the SAG Agreement requires the payment of compensation to Artist in addition to that provided for in this Agreement (including, without limitation, residuals), such additional compensation shall be paid at the minimum applicable rates specified in the SAG Agreement, and shall be based, where permitted by the SAG Agreement, upon the minimum applicable compensation (including, without limitation, contingent compensation), payable thereunder, and Company shall be entitled to credit and apply, or treat as an advance, any and all sums paid or payable under this Agreement against such additional compensation, and vice versa, to the full extent, if at all, permitted under the SAG Agreement. Lender and Artist shall cooperate with Company in requesting any waiver of the provisions of the SAG Agreement in connection with the Agreement. Without limiting the foregoing, the Fixed Compensation payable to Lender hereunder shall include compensation for rehearsal time, travel time and intervening time.

12. **COMPANY PAYMENTS.** Company shall pay directly to the Screen Actors Guild Pension and Health and Welfare Plans on Lender’s behalf all applicable pension and welfare contributions based on the consideration paid to Lender pursuant to Section 4.1 (and, if and to the extent applicable, Section 4.2) for Artist’s services hereunder, provided that in no event shall any such contribution exceed any amount(s) which Company would have been required to pay had Artist been employed directly by Company.

13. **GENERAL CREDIT TERMS.** All references in this Agreement to the title of the Picture shall be deemed to mean the "regular" title unless reference is specifically made to the "artwork" title. With respect to any obligation to accord credit in Paid Ads, if the title of the Picture or the name(s) of one or more other person(s) engaged in connection with the Picture is used more than once in such Paid Ads, e.g., a so-called "regular" use and a so-called "artwork" use (such as, for example, the weaving of the title and/or name(s) as part of the background of the advertisement, or a display use or a fanciful use), the references herein to the title of the Picture and/or the name(s) of any person shall be to the so-called "regular" use of the title or the name(s) as distinguished from the "artwork" use of the title or the name(s). All references to "size" however stated, whether as a percentage or otherwise, shall mean height, width
and thickness of the lettering used in the credit. Subject to Artist's right under the applicable collective bargaining agreement (if any), Artist shall be entitled to the credit provided in the Underlying Agreement only if Lender and Artist are not in Default and Artist appears recognizably in the Role in the Picture as released to the general public.

14. MISCELLANEOUS.

14.1 Governing Law. THE INTERNAL SUBSTANTIVE LAWS (AS DISTINGUISHED FROM THE CHOICE OF LAW RULES) OF CALIFORNIA APPLICABLE TO CONTRACTS MADE AND PERFORMED ENTIRELY IN CALIFORNIA SHALL GOVERN (i) THE VALIDITY AND INTERPRETATION OF THIS AGREEMENT, (ii) THE PERFORMANCE BY THE PARTIES OF THEIR RESPECTIVE OBLIGATIONS HEREUNDER, AND (iii) ALL OTHER CAUSES OF ACTION (WHETHER SOUNDING IN CONTRACT OR IN TORT) ARISING OUT OF OR RELATING TO THIS AGREEMENT (OR LENDER’S ENGAGEMENT AND/OR LENDER’S AND/OR ARTIST’S SERVICES HEREUNDER) OR THE TERMINATION OF THIS AGREEMENT (OR OF LENDER’S ENGAGEMENT AND/OR LENDER’S AND/OR ARTIST’S SERVICES).

14.2 Legal Proceedings. The parties hereto agree that any dispute or controversy relating to any of the matters referred to in clauses (i), (ii) and/or (iii) of Paragraph 14.1, above, shall be decided in accordance with California law, and the parties hereby submit to the jurisdiction of the State and Federal courts located in California. All such proceedings shall be closed to the public and confidential and all records relating thereto shall be permanently sealed.

14.3 Non-Waiver; Effect of Termination; Entire Agreement; Severability. No waiver by Lender, Artist or Company of any failure by any other to keep or perform any covenant or condition of this Agreement shall constitute a waiver of any preceding or succeeding breach of the same or any other covenant or condition. Neither the expiration nor the termination of this Agreement for any reason whatsoever shall affect the rights granted hereunder by Lender and/or Artist or Company's ownership thereof, and the representations and warranties of Lender and/or Artist hereunder shall survive any such expiration or termination. This Agreement constitutes the entire agreement between Company and Lender with respect to the subject matter hereof and may only be amended by a written instrument executed by the party to be charged. If one or more provisions of this Agreement are held to be illegal or unenforceable under applicable law, such illegal or unenforceable portion(s) shall be limited or excluded from this Agreement to the minimum extent required and the remaining portions of this Agreement shall be interpreted as if such portion(s) were so limited or excluded and shall be enforceable in accordance with its terms.

14.4 Visas and Labor Permits. Lender shall cause Artist to cooperate with Company and assist Company in securing such visas and labor permits as may be required by any governmental agency in connection with Artist's rendition of services hereunder. If, in spite of such cooperation and assistance, Company is unable to secure such visas and labor permits within a reasonable time period prior to the Start Date, Company shall have the right to suspend Lender’s engagement and Lender’s and/or Artist's services hereunder until a final determination concerning such visa or labor permit is made by the applicable authority, and Company shall have the right to terminate this Agreement, Lender’s engagement and Artist's employment hereunder if such visas and labor permits cannot be secured.
14.5 **Company's Remedies.** All remedies accorded herein or otherwise available to Company shall be cumulative and no one such remedy shall be exclusive of any other. Without waiving any rights or remedies under this Agreement or otherwise, Company may from time to time recover, by action at law, any damages arising out of any breach of this Agreement by Lender or Artist and may institute and maintain subsequent actions for additional damages which may arise from the same or other breaches. The commencement or maintaining of any such action or actions by Company shall not constitute an election on Company's part to terminate this Agreement nor constitute or result in the termination of Lender’s engagement or Lender’s and/or Artist's services hereunder unless Company shall expressly so elect by written notice to Lender. The pursuit by Company of any remedy under this Agreement or otherwise shall not be deemed a waiver of any other or different remedy which may be available under this Agreement or otherwise, either at law or in equity.

14.6 **Artist's Remedies.** The rights and remedies of Lender and Artist in the event of any breach by Company of this Agreement or any of Company's obligations hereunder shall be limited to Lender’s and/or Artist's right to recover damages, if any, in action at law, and Lender and Artist each hereby waives any right or remedy in equity, including without limitation any right to terminate or rescind this Agreement or Company's ownership of the Picture or the Results and Proceeds or any other right granted to Company hereunder and/or to seek injunctive or other equitable relief with respect to any breach of Company's obligations hereunder and/or to enjoin or restrain or otherwise impair in any manner the production, distribution, exhibition or other exploitation of the Picture, or any parts or elements thereof, or the use, publication or dissemination of any advertising in connection therewith.

14.7 **Captions.** The captions used in connection with the paragraphs and subparagraphs of this Agreement are inserted only for the purpose of reference. Such captions shall not be deemed to govern, limit, modify, or in any other manner affect the scope, meaning, or intent of the provisions of this Agreement or any part thereof; nor shall such captions otherwise be given any legal effect.

14.8 **Governmental Limitation.** If the compensation provided for by this Agreement shall exceed the amount permitted by any present or future law or governmental order or regulation, such compensation shall be reduced, while such limitation is in effect, to the amount which is so permitted, and the payment of such reduced compensation shall be deemed to constitute full performance by Company of its obligations respecting the payment of compensation hereunder. The balance of such compensation, if any, shall be paid if and when, if ever, such law, governmental order or regulation is lifted or removed.

14.9 **Assignment.** Company shall be free to assign this Agreement and its rights hereunder, and to delegate its duties, obligations and liabilities hereunder, at any time and from time to time, in whole or in part, to any person or entity and upon such assignment Company shall be released and discharged of and from any and all of its duties, obligations and liabilities hereunder if such assignment is to: (i) a person or entity into which Company merges or is consolidated or (ii) a person or entity which acquires all or substantially all of Company's business and assets or (iii) a person or entity which is controlled by, under common control with, or controls Company or (iv) any major or "mini-major" motion picture company, United States television network or (v) other financially responsible party and the party in (i) – (v) assumes in writing the performance and obligations of Company hereunder to be performed from and after such assignment. Lender may not assign this Agreement or Lender’s or Artist's rights hereunder, or delegate Lender’s or Artist's duties under this Agreement in whole or in part.
15. **SPECIAL/GENERAL EMPLOYER.** Notwithstanding that Lender is furnishing Artist’s services to Company hereunder, it is acknowledged that for the purposes of any applicable Workers’ Compensation statutes, an employment relationship exists between Company and Artist, Company being Artist’s special employer hereunder and Lender being Artist’s general employer (as the terms “special employer” and “general employer” are understood for purposes of Workers’ Compensation statutes) and that as between Lender and Company, Company shall have the exclusive right to direct and control the performance of Artist’s services hereunder. It is agreed that the rights and remedies, if any, of Artist and/or Artist’s heirs, executors, administrators, successors and assigns against Company and/or Company’s agents and/or employees by reason of injury, illness, disability or death arising out of and occurring in the course of this employment shall be governed by and limited to those provided under such Workers’ Compensation statutes and neither Company, nor Company’s agents or employees, shall have any other obligation or liability by reason of any such injury, illness, disability or death. If the applicability of any Workers’ Compensation statute to the engagement of Artist’s services hereunder is dependent upon (or may be affected by) an election on the part of Lender, Artist and/or Company, such election is hereby made in favor of such application. Nothing contained in this section shall be deemed to waive the provisions of California Labor Code Section 3601 (or the analogous provisions of any other applicable State’s labor code), and where reference is made in the section to Worker’s Compensation statutes, it shall be deemed to include Section 3601 (or the analogous provisions of any other applicable State’s labor code). Except as otherwise provided by law or herein, Artist shall receive no less or more favorable benefits under the Workers’ Compensation statute than Artist would have received had Artist been employed directly by Company.

16. **FURTHER INSTRUMENTS.** Lender and Artist shall duly execute, acknowledge and deliver to Company or cause to be executed, acknowledged and delivered to Company, any and all assignments or instruments consistent with this Agreement which Company may reasonably deem necessary to carry out and effectuate the purposes and intent of this Agreement, including, without limitation, separate assignments of any rights granted by Lender or Artist in this Agreement. In the event Lender or Artist fails to execute any such instrument within 5 business days after Company’s written request therefore, unless a shorter period of time is reasonably required by Company, Lender and Artist hereby irrevocably appoint Company as Lender’s and Artist's attorney-in-fact, which appointment shall be deemed a power coupled with an interest, with full rights of substitution and delegation, to execute, acknowledge and deliver any such instruments in Lender’s and Artist's name and on Lender’s Artist's behalf. Company agrees to provide Lender or Artist (as applicable) with a courtesy copy of any such document that Company executes on behalf of Lender or Artist, provided that a failure to do so shall not constitute a breach of this Agreement.

**END OF STANDARD TERMS**
Re:

Dear ____________:

1. Below is ______________ (“Producer”) offer to your client, ____________ for his supervisory and directing services in connection with the motion picture “____________” (“Picture”). This offer is expressly subject to our completion of financing for the Picture (and other usual related contingencies to be spelled out elsewhere) and further subject to approval of ____________ as the director of the Picture by the lead cast members playing the roles of “_________________” (“the Leads”):

   a. Fixed Compensation: Subject to satisfaction of the conditions set forth above and upon our election to proceed to production, if ever, we will engage ______________ services as the director of the Picture for a flat fee of One Hundred Twenty-Five Thousand Dollars ($125,000), for all supervisory and directing services for the Picture which amount shall be payable on a 20/60/10/10 schedule.

   b. Kill Fee: If Mr. ____________ is approved by the Leads as the director of the Picture and the Leads have entered into binding agreements with Producer for their acting services and subsequently either of the Leads drop out of the Picture and we thereafter enter into binding agreements with replacement cast for the Leads (or either of them) who do not approve Mr. ____________ as director, and provided Mr. ____________ does not actually direct the Picture, we will pay Mr. ____________a fee of $25,000 upon commencement of principal photography of the Picture, if ever.

   c. Start Date: To be determined.

   d. Credit: Per DGA as though applicable, which it is not.

   e. Consultation: Meaningful consultation over key creative issues, i.e., script, cast, budget, locations and key department heads.

If we can reach agreement on basic terms, then I propose we negotiate out further provisions that are customary of your client’s stature for pictures of this type, such as travel, accommodations, per diem, premieres, etc.

I am looking forward to your response.

Very truly yours,
DIRECTOR LOANOUT AGREEMENT

PRINCIPAL TERMS

THIS DIRECTOR LOANOUT AGREEMENT is made and entered into as of ________________, by and between COMPANY FORMED FOR FILM, LLC (“Company”) located at ___________________ and Loan Out Company(“Lender”) f/s/o ARTIST NAME (“Director”) located at ___________________, in connection with the feature-length theatrical motion picture presently entitled “Touched” (the “Picture”).

These PRINCIPAL TERMS (“Principal Terms”) together with the STANDARD TERMS AND CONDITIONS (“Standard Terms”) and any EXHIBITS (“Exhibits”) attached hereto and incorporated herein by this reference, comprise the agreement of the parties with respect to the subject matter hereof (collectively these Principal Terms, the Standard Terms and Exhibits are the “Agreement”).

1. ENGAGEMENT OF DIRECTOR. Company hereby engages Lender to provide the services of Director, and Lender and Director accepts such engagement, to direct the Picture, subject to the reasonable instructions and control of Company in all matters including without limitation, matters of artistic taste and judgment. Subject to the other provisions hereof, Director shall become “pay or play” for the compensation payable therefor pursuant to paragraph 3.1 below at such time, if ever, as Company has: (i) approved the budget for the Picture (Company acknowledges this condition precedent as satisfied); (ii) obtained a binding agreement for the lead actor’s services on the Picture; (iii) received executed copies of this Agreement and the Screenplay Purchase Deal Memorandum dated as of ______________ between the parties; (iv) been provided with all documents which may be required by any governmental agency or otherwise for Director to render services hereunder, including, without limitation, an INS Form I-9 (Employment Eligibility Verification Form), completed to Company’s satisfaction, together with Lender’s and/or Director’s submission to Company of original documents establishing Director’s employment eligibility; (v) received chain-of-title documents (in form and substance satisfactory to Company) conveying to Company all right, title and interest in and to all materials upon which the Picture is based; (vi) received all forms and documents necessary to enable Company to effect payment to Lender, including tax and corporation identification forms, including, without limitation, if applicable, California Form 590 if Lender is incorporated outside the State of California, and any other tax and corporation identification forms; and (vii) closed all required financing arrangements for the Picture. Company may waive the pre-conditions set forth in sub-clauses (i) through (vii) of this paragraph 1 and make Director “pay or play” at Company’s sole discretion. Furthermore, Company agrees that with respect to creative issues, Director is “pay and play” for the first two (2) weeks of principal photography, but nothing in this sentence shall be deemed to limit Company’s right to suspend or terminate Director for material default not primarily related to creative matters, as set forth in paragraph 10 of the Standard Terms.

2. SERVICES OF DIRECTOR.

2.1 Director shall render such services to Company as Company may reasonably request and as are customarily performed by directors in connection with theatrical motion pictures. Director’s services shall commence on such date as Company shall reasonably designate, after consultation with Director, as the starting date for such services (the “Starting Date”) and shall continue through principal photography, until the completion of all of Director’s services to be performed hereunder, including, without limitation, the complete delivery of the Director’s Cut of the Picture. Director’s services shall consist of such time as set forth in more detail in paragraph 7, below (the “Guaranteed Period”). Company may delay the start of pre-production or principal photography by no more than
two (2) weeks upon reasonable prior notice to Director. Director shall render pre-production and production services hereunder on an exclusive basis commencing as of the Starting Date, continuing through completion of principal photography, and until the delivery of the Director’s Cut. Provided that Company acknowledges Director has other projects in development and that it shall not be a breach of Director’s exclusivity if Director has telephone conversations or during Director’s own time between wrap and call Director engages in other development activities during the exclusive period, provided such conversations and activities do not interfere with the rendition of Director’s services hereunder. During the post-production period after delivery of the Director’s Cut, Director’s services shall be rendered on a “first call” but non-exclusive basis, provided that any services performed for any third party shall not materially interfere with the services required hereunder.

2.2 Without limiting the generality of the foregoing paragraph 2.1, Director agrees to use Director’s best efforts to ensure that:

(i) The Picture will be produced in accordance with the production budget, production schedule and screenplay materially approved by Company. There shall be no change of or deviation from any such element without Company’s prior written consent, other than such minor changes in the approved screenplay required by the exigencies of production but which will not alter the theme, story line or structure of the screenplay or the characterizations contained therein; however, Company agrees to consult with Director in good faith regarding any changes, with Company’s decision in all matters of impasse controlling. As of the date hereof, Company pre-approves the screenplay dated ______________

(ii) The Picture will be delivered within the time period specified in the approved post-production schedule, tune being of the essence.

(iii) The Picture, when delivered, will be capable of receiving an MPAA rating not more restrictive than “R.”

(iv) The Picture will be photographed in color and will have a running time of not less than ninety (90) minutes nor more than one hundred ten (110) minutes, inclusive of main and end titles.

(v) The Picture will be produced in accordance with all applicable collective bargaining agreements and laws, statutes, ordinances, rules, regulations and requirements of all governmental agencies and regulatory bodies, both domestic and foreign, having jurisdiction with respect to the production thereof.

2.3 Director shall not have the right to make or authorize any commitment for services, rights, facilities or materials, and shall not license, record, or use any music, for the Picture without Company’s written approval in each case and all such services, rights, facilities, materials and music shall be contracted for solely by Company (or its designee) in Company’s (or its designee’s) name.

2.4 Director shall cause to be prepared such additional scenes (“cover shots”) as are necessary to render the Picture suitable for television exhibition under the existing standards and practices of United States television networks and foreign distribution in accordance with customary distribution industry practices.

2.5 Director’s mutual approvals with Company with respect to the Screenplay and meaningful consultation rights with respect to the Budget and Production Schedule are set forth in detail and subject to the provisions of paragraph 7, below.
3. **COMPENSATION.** Provided neither Lender nor Director is in material breach hereof and subject to Company’s rights as set forth herein, Lender shall be entitled to and agrees to accept, as full and complete consideration for all services rendered, rights granted, and representations, warranties, and agreements made by Lender and Director hereunder, the following:

3.1 **Basic Compensation.** The sum (“Basic Compensation”) of $__________ Dollars ($__________), covering all services required of Director during the Guaranteed Period, all of which shall be payable on a deferred pro-rata and pari passu basis consistent with the deferred producer fee payments made to producers _________ (“Last Names”) in connection with the Picture after recoupment of all costs, including but not limited to financing, production and distribution costs associated with the Picture.

3.2 **Contingent Compensation.** In addition to the Basic Compensation set forth above and provided neither Lender nor Director is in material breach hereof, Lender shall be entitled to receive a profit participation in an amount equal to one-third (1/3) of 50% of Company’s Net Profits derived from the exploitation of the Picture, to be defined, accounted for and paid in accordance with Company’s standard definition thereof, subject to good faith negotiations, provided that “Net Profits” hereunder shall be defined, accounted for and paid no less favorably with respect to Owner than with respect to NexTV and Taylor in connection with the Picture. Such Contingent Compensation shall be paid, if at all, on a pro-rata and pari passu basis with NexTV and Taylor and shall be reduced proportionally among the three for any applicable Contingent Compensation necessitated to be paid to above-the-line talent.

3.3 **Deductions.** Company shall have the right to deduct and withhold from the compensation and expenses payable hereunder: (i) should Company pay Lender in respect of any period of suspension under the provisions of this Agreement, an equivalent amount from any compensation thereafter accruing hereunder; and (ii) all amounts which Company is advised by counsel are required to be deducted and withheld by Company pursuant to any applicable present or future law or governmental rule or regulation requiring such withholding or deduction.

4. **CREDIT.**

4.1 **Subject to Director’s complete performance of all of Director’s material obligations hereunder,** Company agrees that if the Picture is substantially completed under the direction of Director in accordance with the provisions of the Director’s Guild of America (“DGA”) Basic Agreement (the “DGA Basic Agreement”), notwithstanding that Director is not a member of the DGA, Company is not a DGA signatory, and the DGA does not have jurisdiction over the Picture, Director shall be accorded “Directed By” screen credit on all positive prints of the Picture on a single card in last position of the main title credits upon which no other material shall appear, and a “Film By” credit on-screen, above the title of the Picture, on a separate card, upon which no other material shall appear. Director shall also be accorded the abovesaid credits in all paid ads in the same form, position and prominence as abovesaid issued or prepared by Company or its assignee or designee subject to all exclusions contained in the DGA Basic Agreement; provided, however, if the writer or any producer (other than the individual who is the subject of excluded ad) receives credit in an excluded ad, Director will also receive Director’s credits in such ad. Company shall use reasonable efforts to cause any material failure to perform of such credit obligations to be prospectively cured after written notice from Director. Company shall use reasonable efforts to contractually obligate third party licensees to comply with the credit provisions hereof; however a third party breach of the credit provisions hereof shall not constitute a breach of this Agreement by Company.

4.2 Director’s credits shall be favored nations with all individuals rendering services on the Picture with regards to size, typeface and duration. Without limitation, Director’s on-screen credits
shall not be less than 75% of the size of the Picture’s regular title and Director’s paid ad credits shall not be less than 50% of the size of the Picture’s regular title. Except as specifically set forth above, all other aspects of Director’s credit (including, without limitation, the mode, manner, placement, size, duration and position) shall be determined by Company in its sole discretion, subject to any applicable minimum terms and conditions of the DGA Basic Agreement.

4.3 No casual or inadvertent failure of Company or of any third party to comply with the provisions of the credit provisions hereof shall constitute a breach of this Agreement by Company.

5. TRAVEL AND EXPENSES. Company intends that principal photography of the Picture will take place in Los Angeles, CA and its environs (the “Location”), for which Company shall not furnish any travel, accommodations or expenses to Lender and/or Director. However, if requested to travel at Company’s request for the Picture, Company shall provide Director with reasonable (if available and if used) round-trip air transportation from Los Angeles to any distant location 50 miles or more from Los Angeles and with reasonable accommodations and reasonable living expenses of Company’s choice (but not less favorable to Director than that provided to any non-cast individual providing services on the Picture) while at such location. Additionally, Director shall be provided with: (i) reasonable ground transportation of Company’s choice to and from the airport which shall be favored nations all other non-cast individuals, (ii) a non-accountable expense allowance of $50 USD per day but in any event not to be less favorable to Director than the per diem provided to any other non-cast individual rendering services on the Picture and, (iii) a rental car while at such location. Lender shall only be reimbursed for such reasonable expenses as are pre-approved in writing by Company.

6. OFFICE ASSISTANT. Subject to the Picture’s going-in budget, Company shall provide Director with exclusive use of an office from the start of pre-production through the end of principal photography. In addition, Company shall provide Director a “local hire” exclusive assistant during the last three (3) weeks pre-production and during principal photography. During pre-production and principal photography, Company shall also provide Director a cellular phone for Director’s use in connection with the Picture and Company shall pay for local calls.

7. APPROVALS CUTS AND CREATIVE MATTERS.

7.1 Approvals. Director shall have mutual approval with Company (with Company’s decision controlling in the event of impasse) over:

(i) The actors cast in all speaking parts;

(ii) The Director of Photography, the Editor, the First Assistant Director and the Production Designer.

(iii) The final Screenplay.

7.2 Consultations. Director shall be entitled to the following:

(i) Meaningful consultation with respect to the Location;

(ii) Meaningful consultation with respect to the Production Schedule and the Budget;

(iii) Consultation with respect to Company’s marketing plan and release pattern for the Picture.
7.3 **Cuts.** Provided Director directs the Picture through completion of principal photography, Director shall be entitled to prepare the Director's Cut and one (1) additional cut of the Picture ("Director's Recut"), for a total of two (2) cuts. Director shall also be entitled to one (1) "Avid Preview" of the Picture, provided that such Avid Preview and Director's Recut can be accomplished within the time allotted in the post-production schedule for the delivery of the Picture, and in any event delivery of the Director's Cut and Director's Recut shall occur within eight (8) weeks from the completion of principal photography. Additionally, Director shall be obligated to screen the Director's Cut for Company no later than six (6) weeks from the completion of principal photography. As used herein, "Avid Preview" shall mean the exhibition to a selected audience of a cut of the Picture derived from the digitized version of the Picture residing on an Avid or other electronic editing system and exhibited by means of video projection or a similar system.

7.4 **Certain Matters.** In respect of any matter where Company and Director have mutual approval, if Company and Director cannot reach a decision after making good-faith attempts to do so for at least forty-eight (48) hours (reducible to a reasonable amount of time for exigencies of production), then Company’s decision with regards thereto shall be final. Subject to the foregoing, Company shall have full and final business, creative, financial, and day-to-day control over the Picture and the production thereof and the complete and unconditional right to cut and edit the Picture, including without limitation, “final cut’. Company shall have the right to view the dailies, the rough cut and all cuts of the Picture subsequent to the Director’s Cut and Directors Recut at any time. Director shall not authorize or permit any cuts of the Picture without the prior written authorization of Company except as set forth herein.

8. **GUILDS, ETC.** Director acknowledges and agrees that Company is not a signatory to the DGA Agreement and that Director’s directing services hereunder are not, and shall not be, subject to any minimum terms and conditions, including minimum compensation, of the DGA Agreement. In connection therewith, Director warrants and represents that Director is not currently a member of the DGA and that Director shall not take any action that might require Company to become a signatory to the DGA Agreement.

9. **INDEPENDENT CONTRACTOR OBLIGATIONS.** Director and Lender hereby warrant and represent that Director is employed as a bona fide employee of Lender pursuant to a valid, binding written employment agreement. All personnel necessary for furnishing of the services required of Director hereunder shall be Lender’s employees, and Lender shall have all of the duties and responsibilities of an employer including, but not limited to, payment, payroll deductions and withholdings, employer’s taxes, and disability and unemployment insurance. Lender and Director agree to defend, indemnify and hold the Indemnitees harmless from and against any and all claims, liability, losses, damages, costs, expenses (including reasonable outside attorneys’ fees and legal costs, whether or not in connection with litigation), judgments and penalties arising out of, resulting from, or incurred in connection with any failure by Lender or Director under this paragraph.

10. **ADDITIONAL AGREEMENTS.**

10.1 Provided that Director is not in material breach or material default of Director’s obligations hereunder, and that the Picture is directed solely by Director, Company agrees to invite Director and one guest to the first United States celebrity premiere or first U.S. or international film festival that accepts the Picture in competition ("Film Festival"), if any, of the Picture which takes place under Company’s control. For the purposes of this paragraph, a “premiere” is a celebrity opening of the Picture, with press and publicity. A cast and crew screening to which the press is not specifically invited shall not be considered a “premiere” for the purposes of this Agreement. In the event that Company provides travel, accommodation and expenses for any individual who rendered services on the Picture in connection with the attendance of such individual at a North American celebrity premiere, such individual must attend the premiere with the Company’s representative unless mutually agreed to by the Company.
premiere or Film Festival of the Picture, then Company shall also provide Director travel, accommodation and expenses with respect to such North American celebrity premiere or Film Festival. Director's travel, accommodation and expenses shall be on a “favored nations” basis with NexTV and Taylor and all other producers, if any, involved with the Picture.

10.2 Within a reasonable time after commercial videocassette availability, Company agrees to provide Director with one (1) videocassette and one (1) DVD copy of the Picture. Said videocassette and DVD copies shall be used solely for Director's private home showing and library purposes, and in no event shall said videocassette and/or DVD copy be altered, duplicated or used for any commercial purpose or for profit.

10.3 Company shall cause Lender and Director to be named as an additional insureds on arty errors arid omissions and general liability insurance policies obtained by Company in connection with the Picture, subject to any restrictions of such applicable policies. The foregoing shall not be construed so as to limit or otherwise affect any obligation, representation, warranty or agreement of Artist or so as to require Company to obtain and/or maintain any such insurance policies. Upon Lender’s and Director’s prior written request, Company shall provide certificates of said insurance; provided that no failure on the part of Company to provide such certificates shall be deemed a breach of this Agreement.

10.4 If available, Company shall provide Director a release print or answer print of the Picture. If no such print is available, Director shall be entitled to create a print at Director’s expense.

10.5 Company shall provide Director ten (10) copies of the U.S. one-sheet for the Picture, if and as available.

10.6 Notwithstanding any provisions hereof or in the Standard Terms, in the event of a default by Director hereunder, Director shall have a cure period of seventy-two (72) hours, or during principal photography twenty-four (24) hours, from the time of Company's written notice of default to cure same.

10.7 In the event that Company or its assignee wishes to develop a sequel, prequel, remake or television production based upon the Picture (“Subsequent Production”), Company shall afford Director an exclusive 30-day first negotiation period during which Director and Company shall negotiate in good faith with respect to Director's services in connection with each such Subsequent Production, or any production which is a sequel, prequel, remake or television production based upon a Subsequent Production. Provided that Company’s initial offer to Director with respect to any such Subsequent Production shall not be less favorable with respect to the Basic Compensation and the Contingent Compensation than as set forth herein with respect to the Picture. Provided, further that, if the parties do not reach an agreement during such 30-day exclusive negotiation period Company shall be at liberty to engage other parties to provide writing services in connection therewith.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed as of the date first written above.

AGREED AND ACCEPTED:

COMPANY FORMED FOR FILM, LLC

By: ______________________________
Its: ______________________________
LOAN OUT COMPANY

By: __________________________

Its: __________________________
As of ______________

Company formed for Film, LLC
Address

Re:  “TITLE” – LOAN OUT COMPANYf/s/o ARTIST NAME

Ladies/Gentlemen:

Reference is made to the agreement ("Agreement") dated concurrently herewith between you and LOAN OUT COMPANY for the services of ARTIST NAME, the undersigned, in connection with the above-referenced motion picture.

As a material inducement to you to enter into the Agreement, the undersigned hereby represents, warrants and agrees as follows:

1. I have heretofore entered into an agreement (the "Employment Agreement") with Lender requiring me to render services exclusively to Lender for at least the full term of the Agreement and authorizing Lender to enter into the Agreement and to furnish my rights and services to you upon the terms, covenants and conditions thereof.

2. I am familiar with all of the terms, covenants and conditions of the Agreement and hereby consent to the execution thereof; I shall be bound by and will duly observe, perform and comply with all of the terms, covenants and conditions of the Agreement as if I had executed it directly as an individual, even if the Employment Agreement should hereafter expire or be terminated or suspended, or if Lender should be dissolved or should otherwise cease to exist; I hereby confirm that there have been granted to Lender all of the rights granted by Lender to you under the Agreement; and I hereby join in and confirm all grants, representations, warranties and agreements made by Lender under the Agreement.

3. I am under no legal or other obligation or disability that would prevent or restrict me from performing and complying with any of the terms, covenants and conditions of the Agreement to be performed or complied with by me.

4. Unless I am deemed substituted for Lender as a direct party to the Agreement pursuant to paragraph 7, below, I will look solely to Lender and not to you for compensation for the services and rights I may render and grant to you under the Agreement and for the discharge of all other obligations of my employer with respect to my services under the Agreement.

5. You shall have all rights and remedies against me that you would have if I were your direct employee under the Agreement and you shall not be required to first resort to or exhaust any rights or remedies that you may have against Lender before exercising your rights and remedies against me.

6. I will indemnify and hold you and your parents, affiliates, subsidiaries, employees, directors, officers, agents, successors, assigns and licensees, and each of them, harmless from and against any and all taxes which you may have to pay and any and all any and all liabilities, judgments, losses, claims, demands, damages, penalties, interest, costs and expenses of every kind whatsoever (including, without limitation, reasonable outside attorneys' and outside accountants' fees and disbursements) which may be obtained against, imposed upon or suffered by you or any of the aforementioned parties or which you or any of such parties may incur by reason of your failure to deduct and withhold from the compensation payable under the Agreement any amount required or permitted to be deducted and withheld from the

Film Title/Agreements
Producer Name – Producer dated 10.17.04
compensation of an employee under the provisions of any current state or federal statute and/or any amendments thereof and/or any statutes hereafter enacted requiring the withholding of any amount from the compensation of an employee. Inasmuch as you have the right to control my services and I am your "special employee" for purposes of all applicable workers’ compensation laws, the rights and remedies of the undersigned and/or my heirs, executors, administrators, successors, and assigns shall be governed by and limited to those provided under such workers’ compensation statutes if I should suffer or incur any injury, illness, disability or death arising out of or occurring in the course of my special employment pursuant to the Agreement.

7. If Lender or its successors in interest should be dissolved or should otherwise cease to exist, or for any reason should fail, refuse or neglect to perform, observe or comply with the terms, covenants and conditions of the Agreement, I shall, at your election, be deemed to be employed directly by you for the balance of the term of the Agreement upon the terms, covenants and conditions set forth therein.

8. If you serve Lender with any notices, demands or instruments relating to the Agreement or the rendition of my services thereunder, such service upon Lender shall constitute service upon me.

Very truly yours,

__________________________________________
ARTIST NAME

Execution Date:_____________________________
"TITLE"

CERTIFICATE OF ENGAGEMENT
(Loanout)

Company formed for Film, LLC ("Producer"), whose address is ______________ has engaged LOAN OUT COMPANY ("Employer"), a California corporation, Federal I.D. ______________ whose address is ______________ to furnish the directing, labor and other services of ARTIST NAME ("Employee"), Social Security #____________, in connection with the motion picture presently entitled “TITLE” ("Picture").

For good and valuable consideration, receipt of which is hereby acknowledged, Employer and Employee hereby acknowledge, certify and agree that all results and proceeds of every kind of services heretofore and hereafter to be rendered by Employer and/or Employee in connection with the Picture, including without limitation any performance by Employee and all ideas, suggestions, themes, plots, stories, characterizations, dialogue, titles and other material, whether in writing or not in writing, at any time heretofore or hereafter created or contributed by Employer and/or Employee which in any way relate to the Picture or to the material on which the Picture will be based (collectively, "Material"), are and shall be deemed to be works made for hire for Producer. Accordingly, Producer is and shall be considered the author and, at all stages of completion, the sole and exclusive owner of the Material and all right, title and interest therein ("Rights"). The Rights shall include without limitation all copyrights, neighboring rights, trademarks and any and all other ownership and exploitation rights in the Material now or hereafter recognized in any and all territories and jurisdictions including, by way of illustration, production, reproduction, distribution, adaptation, performance, fixation, rental and lending rights, exhibition, broadcast and all other rights of communication to the public, and the right to exploit the Material throughout the universe in perpetuity in all media, markets and languages and in any manner now known or hereafter devised, subject to any applicable restrictions and approvals as may be specified in Employer and Employee's loanout agreement for the Picture. If under any applicable law the Material is not deemed or otherwise considered a work made for hire, then to the fullest extent allowable under any applicable law, Employer and Employee hereby assign and transfer to Producer the Rights and, in connection therewith, any and all right, title and interest of Employer and/or Employee in the Picture and any other works now or hereafter created containing the Material.

Employer and Employee hereby grant Producer the right to change, add to, take from, translate, reformat or reprocess the Material in any manner Producer may in its sole discretion determine. To the fullest extent allowable under any applicable law, Employer and Employee hereby irrevocably waive or assign to Producer their so-called "moral rights" or "droit moral". Employer and Employee expressly acknowledge that many parties will contribute to the Picture and other works that will embody all or part of the Material. Accordingly, if under any applicable law the above waiver or assignment by Employer or Employee of "moral rights" or "droit moral" is not effective, then Employer and Employee agree to exercise such rights in a manner which recognizes the contribution of and will not have a material adverse effect upon such other parties.

If under the applicable law of any territory or jurisdiction any additional or different form of compensation is required to satisfy the requirement of equitable remuneration, then it is agreed that the
Dd – CONTRACTS – DIRECTOR - Certificate of Engagement

grant to Producer of the rental right shall nevertheless be fully effective, and Producer shall pay Employer or Employee such compensation or, if necessary, the parties shall in good faith negotiate the amount and nature thereof in accordance with applicable law.

Since Producer has already paid or agreed to pay Employer and Employee equitable remuneration for the rental right, Employer and Employee hereby assign to Producer all compensation for the rental right payable or which may become payable to Employer or Employee on account or in the nature of a tax or levy, through a collecting society or otherwise. Employer and Employee shall cooperate fully with Producer in the collection and payment to Producer of such compensation. Further, since Producer has already paid or agreed to pay Employer and Employee full consideration for all services rendered and rights granted by Employer and Employee hereunder, Employer and Employee hereby assign to Producer all other compensation payable or which may become payable to Employer or Employee on account or in the nature of a tax or levy, through a collecting society or otherwise, under the applicable law of any territory or jurisdiction, including by way of illustration only, so-called blank tape and similar levies. Employer and Employee shall cooperate fully with Producer in connection with the collection and payment to Producer of all such compensation. The terms of this paragraph shall apply in connection with services not covered by the applicable WGA, DGA or SAG basic agreements.

Employer and Employee will upon request execute, acknowledge and deliver to Producer any and all documents consistent herewith which Producer may reasonably deem necessary to evidence and effectuate all or any of Producer's rights hereunder. Employer and Employee hereby irrevocably appoint Producer as attorney-in-fact with full power to execute, acknowledge, deliver and record in the U.S. Copyright Office or elsewhere any and all such documents Employer or Employee fail to execute, acknowledge and deliver within 5 business days after Producer's request therefor and furnishing of copies, unless a shorter period of time is reasonably required by Producer. The appointment shall be a power coupled with an interest. Producer shall provide Employer with a copy of any such document Producer executes on behalf of Employer and/or Employee, provided that a failure by Producer to send such a copy shall not constitute a breach hereof.

Employer and Employee hereby grant to Producer the right to issue and authorize publicity concerning Employee, and to use Employee's name, voice, approved likeness and approved biographical data (provided that such approval shall be undertaken in a reasonable manner so as not to frustrate the intent of this agreement) in connection with the distribution, exhibition, advertising and other exploitation of the Picture, subject to any applicable restrictions and approvals as may be specified in Employer and Employee's loanout agreement for the Picture.

Employer and Employee represent and warrant that: Employer and Employee are free to grant all rights herein granted and to make all agreements made by Employer or Employee herein; neither Employer nor Employee has made, and will not make, any grant or assignment which will conflict with or impair the complete and quiet enjoyment of Producer's rights hereunder; Employer and Employee are not subject to any conflicting obligations or any disability which will prevent or interfere with the performance of Employee's services; and to the extent required by law and/or applicable collective bargaining agreements Employee is a member in good standing of such labor organization having jurisdiction hereunder.

Employer and Employee further represent and warrant that: the Material (other than any written material supplied by Producer to Employer or Employee or incorporated by Producer into any
Material written by Employee) is or will be original with Employee (or provided Employer or Employee notifies Producer thereof, is in minor part in the public domain); any Material written by Employee has not been copied in whole or in part from, or based on, any other work except that submitted by Producer to Employer or Employee as a basis for the Material; the Material has not been exploited in any manner and/or medium; the Material is not and will not be based in whole or in part on the life of any real person except as approved in writing in advance by Producer; any Material contributed in writing by Employee does not and will not infringe upon the copyright of any person or entity, and any other Material contributed by Employee, to the best of Employer's and Employee's knowledge (including that which they should have known in the exercise of reasonable prudence), does not and will not infringe upon the copyright of any person or entity; and, to the best of Employer's and Employee's knowledge (including that which they should have known in the exercise of reasonable prudence), the Material does not and will not constitute a libel or slander of any person or entity or infringe upon or violate the right of privacy or any other right of any person or entity.

Employer and Employee further represent and warrant that: Employer is a bona fide corporation duly organized and existing under the laws of the state of its incorporation; to the extent required by law, Employer has workers' compensation insurance covering Employee and will maintain the same at all times while Employee is rendering services hereunder; and that Employee is under an exclusive contract of employment with Employer for a term extending at least until the completion of all services required of Employee hereunder, which contract gives Employer the right to loan or furnish the services of Employee to Producer.

Employer and Employee shall indemnify Producer against any and all liability, damages, costs and expenses (including reasonable outside attorneys' fees and costs) in connection with any third party claim or action arising out of the breach of any of their representations, warranties or agreements herein. Producer shall indemnify and defend Employer and Employee against any and all liability, damages, costs and expenses (including reasonable attorneys' fees and costs) in connection with any third party claim or action (other than those arising out of a breach of Employer's or Employee's representations, warranties or agreements hereunder or out of any criminal misconduct or malicious or willful acts by Employer or Employee) in connection with Producer's development, production, distribution or exploitation of the Material, Picture and/or any element thereof or therein.

Employer and Employee shall be covered as additional insureds by the errors and omissions and general liability insurance policies for the Picture to the extent that Producer obtains and maintains such policies and shall be subject to the terms, conditions and restrictions of such policies and endorsements thereto.

Employer and Employee hereby covenant and agree that Employer and Employee shall not have or be deemed to have any lien, charge or other encumbrance upon any of the rights conveyed to Producer herein or proceeds derived therefrom, and that no act of or omission by Producer, nor any other act, omission or event of any kind, shall terminate or otherwise adversely affect Producer's ownership of the rights conveyed herein. Employer's and Employee's sole remedy for any breach or alleged breach hereof by Producer shall be an action at law to recover such damages as may have been actually suffered by them as a result thereof.

Without limiting the foregoing, Producer's obligation to engage any of Employee's services with respect to the Picture is subject to the condition precedent of Producer acquiring all necessary rights to the underlying property for the Picture.
Dd – CONTRACTS – DIRECTOR - Certificate of Engagement

Executed as of ______________________

LOAN OUT COMPANY

By: ______________________________
Its:

_______________________________
ARTIST NAME ("Employee")

ACKNOWLEDGED AND AGREED:

COMPANY FORMED FOR FILM, LLC
("Producer")

By: ______________________________
Its:
STANDARD TERMS AND CONDITIONS

These STANDARD TERMS AND CONDITIONS (“Standard Terms”) are attached to and incorporated into the DIRECTOR LOANOUT AGREEMENT PRINCIPAL TERMS (the “Principal Terms”) dated as of _____________ by and between COMPANY FOR FILM, LLC (“Company”) and ________________ (“Lender”) f/s/o ________________ (“Artist”) in connection with the feature-length theatrical motion picture presently entitled “TITLE.” The Principal Terms, these Standard Terms and any Exhibits attached hereto taken together comprise one and the same agreement (the “Agreement”). All terms which are defined or capitalized in the Principal Terms shall bear the same meaning in these Standard Terms. In the event of an express conflict or inconsistency between the Principal Terms and these Standard Terms, the Principal Terms shall govern, but only to the extent of such conflict or inconsistency. If Artists services are being provided by a Loanout Company, the term “Artist” as used herein shall apply jointly and severally to the individual artist(s) and such Loanout Company.

1. CONDITIONS PRECEDENT. All of Company’s obligations hereunder are expressly conditioned upon and subject to: (i) full execution and delivery to Company of this Agreement; (ii) the finalizing of all agreements necessary for the full financing of the Picture; (iii) Artist’s completion of the Immigration and Naturalization Service (“INS”) Form 1-9 (Employment Eligibility Verification Form) or equivalent required by the immigration service of any nation (“foreign immigration service”) other than the United States which may have jurisdiction in respect of Artist’s services; (iv) Artist’s submission to Company of original documents as required by the LNS or foreign immigration service, satisfactory to prove Artist’s employment eligibility; (v) DELETED WITHOUT PREJUDICE.

2. GRANT OF RIGHTS.

2.1 Artist grants to Company the perpetual right to use, display and reproduce, and license others to use, display and reproduce, the name, voice and approved likeness of Artist in connection with any services Artist may perform hereunder, or in connection with the Picture or advertising or exploitation of the Picture.

2.2 Company may perpetually use, or authorize others to use, any of the rights herein granted for commercial advertising or publicity in connection with the Picture or Artist’s services rendered to Company. In such advertising or publicity, Artist shall not be represented as using, consuming or endorsing any such product, commodity or service without Artist’s prior written consent.

2.3 Artist acknowledges and agrees that the results and proceeds of Artist’s directing services hereunder and any and all material, works, writings, ideas, ‘gags,’ or dialogue or other matter written, composed, prepared, submitted, suggested or interpolated by Artist under this Director Agreement in connection with Artist’s directing services on the Picture, or its preparation or production (collectively, the “Material”), shall automatically become the exclusive property of Company as a “work-made-for-hire” as defined by U.S. Copyright Law and Company shall, for copyright and all other purposes, be deemed the sole author thereof and shall have the right to obtain copyright therefor and for the Picture in its own name or otherwise, and to renew such copyrights, in its own name and for its own benefit or otherwise, free of any claims thereto by Artist.

2.4 Notwithstanding anything herein to the contrary, in the event Artist’s services hereunder,
for any reason, are deemed nor to be a “work-made-for-hire” under the United States Copyright law, Artist acknowledges and agrees that by the terms hereof, Artist hereby irrevocably grants, sets over and assigns to Company throughout the universe, exclusively and in perpetuity, free and clear of any and all claims, liens and encumbrances, all right, title and interest of every kind whatsoever, whether now known or unknown, in and to the Material and all other results and proceeds of Artist’s services hereunder.

2.5 Subject to any express provisions to the contrary set forth in this Agreement, Company shall have the unrestricted right, but not the obligation, to make any changes in, deletions from or additions to the Material and/or the Picture, or any part thereof. Company shall have the unrestrained right to use the Material and/or the Picture or any version thereof for any and all purposes throughout the universe in perpetuity in any and all media now existing or hereafter devised.

2.6 Artist’s grant of rights in this Agreement is irrevocable and without right of termination or rescission by Artist and shall not be affected by the termination or expiration of this Agreement.

3. WAIVER OF DROIT MORAL. Artist hereby waives any right of droit moral or any similar right with respect to the Material and agrees not to institute, support or maintain any action or lawsuit on the ground that the Picture or any other motion picture, television production, or other production produced hereunder, or any other exercise of any of the rights conveyed, granted and assigned by Artist hereunder constitutes an infringement of any right of droit moral or any similar right, or is in any way defamation or mutilation of the Material, or any part thereof, or of the reputation of Artist, or contains unauthorized variations, alterations, modifications, changes or translations.

4. ARTISTS REPRESENTATIONS AND WARRANTIES. Subject to the Writers Guild of America Basic Agreement (“WGA BA”), Artist hereby represents and warrants as follows:

4.1 Other than as submitted to Artist by Company or at Company’s request for Incorporation into the Picture, all of the Material shall be wholly original with Artist or in the public domain;

4.2 The Material or any use of the Material contemplated hereunder does not and will not to the best of Artist’s knowledge in the exercise of reasonable prudence, violate, conflict with, or infringe upon, any rights whatsoever of any person, firm or corporation, including, without limitation, any copyright, common law or statutory, throughout the world; any right of publication, performance, or any other right in any work; and any right against libel, slander, invasion of privacy, unfair competition or similar right;

4.3 Except as submitted to Artist by Company, the Material shall be fictitious and no real persons shall be depicted therein;

4.4 To the best of Artist’s knowledge in the exercise of reasonable prudence, there are no claims or litigation pending and no threat of any claim or litigation with respect to, concerning or purporting to affect adversely Company’s right and title in or to the Material;

4.5 As between Company and Artist, Company will be the sole and exclusive owner in perpetuity throughout the universe of the rights in and to the Material;

4.6 Artist has the right to enter into this Agreement, to perform the services contemplated
hereby and no provisions for Artist’s employment or services hereunder or for the use of Artist’s name, likeness or biography as herein contemplated does now or will hereafter violate, conflict with or infringe upon any rights whatsoever, of any person, firm or corporation;

4.7 Artist will perform in good faith and to the best of Artist’s ability in the manner and at the times and places reasonably directed by Company all of the services reasonably required of Artist by Company hereunder and will comply with all reasonable directions, requests, and rules and regulations (provided such rules and regulations have been previously provided to Artist in writing) of Company in connection therewith;

4.8 Artist is not subject to any obligation or disability which will or might prevent or interfere with Artist fully keeping and performing all of Artist’s material covenants and material conditions to be kept or performed by Artist hereunder;

4.9 Artist has not made nor will Artist make any agreement which will or might conflict with or impair the complete enjoyment of the services, rights and privileges granted to Company hereunder

5. INDEMNITY.

5.1 Artist shall defend, indemnify and hold harmless Company and its successors, licensees and assigns, and the officers, directors, employees and agents of all of the foregoing (collectively, the “Artist’s Indemnitees”), from and against any and all claims, demands, suits, liabilities, losses, costs, expenses (including without limitation reasonable outside attorneys’ fees and legal costs), damages or recoveries (including without limitation any amount paid in settlement) suffered, made, incurred or assumed by any of the Artist’s Indemnitees by reason of the material breach of any warranty, representation, or agreement made or entered into herein or hereunder by Artist.

5.2 Except to the extent that Artist’s indemnity above applies, Company shall defend, indemnify and hold Artist harmless from and against any and all claims, demands, suits, liabilities, losses, costs, expenses (including without limitation reasonable attorneys’ fees and legal costs), damages or recoveries (including without limitation any amount paid in settlement) suffered, made, incurred or assumed by Artist in connection with: (i) any material submitted to Artist by Company for use in the Picture, or (ii) by reason of the material breach of any material warranty, representation, or agreement made or entered into herein or hereunder by Company, or (iii) arising in connection with the development, production, distribution, marketing, promotion or generally exploitation of the Picture.

6. ASSIGNMENT. Company shall have the unrestricted right to assign this Agreement or any of the rights granted to it hereunder, in whole or in part, to any third party, from time to time, as Company shall determine in its sole discretion and such assignment shall fully relieve and release Company from any further obligation to Artist hereunder to the extent that Company’s assignee assumes in writing and performs all Company’s obligations to Artist, or provided Company’s assignee is a U.S major, mini-major studio, network, or other similarly financially responsible entity and assumes Company’s obligations in writing. Artist may not assign this Agreement, except that Artist may assign Artist’s right to receive compensation hereunder, including without limitation, the Contingent Compensation. Company’s rights shall inure to the benefit of Company’s successors and assigns.
7. **NO OBLIGATION TO PRODUCE.** Artist acknowledges and agrees that Company shall have no obligation to actually produce, or if commenced, to complete the production of, the Picture or any other project in connection therewith or to utilize the services of Artist. In the event that Company elects to abandon production of the Picture or the use of Artist's services at any time, subject to the express provisions of the Principal Terms, including without limitation with regards to “pay or play” or “pay and play” obligations, to the contrary. The sums paid to Artist in respect of fixed and contingent compensation hereunder up to the date of such abandonment shall constitute Artist's full, sole, complete and satisfactory compensation hereunder.

8. **NO INJUNCTION / NO EQUITABLE RELIEF.** The rights and remedies of Artist in event of breach of this Agreement shall be limited to the right, if any, to recover damages in an action at law, which remedy Artist hereby acknowledges to be adequate, and in no event shall Artist be entitled by reason of any such breach to terminate this Agreement, and Artist shall not be entitled to and hereby waives the right in such event to equitable or injunctive relief or to enjoin, restrain, or otherwise interfere with the production, distribution, exhibition, or other exploitation of the Picture or any other motion picture, television production or other product of the Material produced hereunder. Company shall not be liable for the breach of any of its undertakings hereunder unless it receives written notice from Artist of such breach and then fails to correct the breach within ten (10) business days after Company's receipt of such notice.

9. **SERVICES UNIQUE.** The parties agree that the services to be rendered by Artist are of a special, unique, unusual, extraordinary and intellectual character involving skill of the highest order, giving them a particular value, the loss of which cannot be reasonably or adequately compensated in damages in an action at law and that a breach by Artist of any of the provisions herein would cause Company irreparable injury and damage. Accordingly, Company shall be entitled to seek injunctive or other equitable relief to prevent any such breach. Resort to such equitable relief, however, shall not be construed as a waiver of any other rights or remedies that Company may have for damages or otherwise.

10. **SUSPENSION: TERMINATION.**

10.1 If Artist dies this Agreement shall be deemed to be terminated. If Artist is incapacitated (whether physically or mentally), Company may in its sole discretion terminate or suspend this Agreement in accordance with the provisions of this paragraph 10, including without limitation, subparagraph 10.4.

10.2 This Agreement shall be automatically suspended without notice to Artist (to be followed by written notice to Artist as soon as practical) if the rendition of Artist’s services hereunder or development or production of the Picture is prevented, hampered or interrupted because of force majeure events, as such term is customarily understood in the entertainment industry in Los Angeles, California, including, without limitation, any labor dispute, fire, theft, act of God, war, governmental action, injunction or other material interference with Artist’s services hereunder or Company’s development or production of the Picture, third party breach of contract, death, illness or incapacity of the individual producer, director, or director of photography or any other event, whether similar or dissimilar, beyond Company's control which prevents or renders impractical Company’s production of the Picture. Notwithstanding the foregoing, the definition of “force majeure” applicable to Artist shall be no less favorable in all respects than the definition thereof accorded to any other above—the-line individual rendering services on the Picture. Provided also, that if any other above-the-line personnel are reinstated...
after a suspension and/or termination and/or the occurrence of a force majeure event, then Artist shall also be reinstated.

10.3 If Artist does not or cannot adequately render material services hereunder because of Artist’s material default hereunder, or Artist fails or threatens to fail to perform or to be available to perform the material services as required by Company pursuant to this Agreement or otherwise materially breaches this Agreement, this Agreement shall be automatically suspended without notice to Artist (to be followed by written notice to Artist as soon as practical) until and unless Artist reports to Company, ready, willing and able in all respects to resume Artist’s services and Company elects to end the suspension.
10.4 In the event of a suspension hereunder all dates herein set forth or provided for, and the accrual of compensation hereunder, shall be postponed for a period equivalent to the period of such suspension. In the event of a suspension hereunder, Director shall be entitled to receive only the compensation accrued to the date of such suspension. If Company elects to end any suspension hereunder, the term of Director's services may, in Company's sole discretion, be extended for such amount of time equivalent to the length of such suspension(s). If the suspension: (i) results from Artist's incapacity and exists for ten (10) business days or more, or (ii) results from any matter referred to in paragraph 10.2 and exists for four (4) weeks or more, or (iii) immediately in the case ofArtist's default or failure or refusal to perform or other matter referred to in paragraph 10.3, Company may terminate this Agreement upon written notice. Notwithstanding anything herein contained, if any suspension under (ii) continues for two (2) weeks or more, Artist may render services on Artist's own behalf or for others during the continuance of such suspension, subject to immediate recall upon the termination of such suspension by Company If any suspension under (ii) continues for five (5) weeks or more, Artist may terminate this Agreement by written notice to Company but such notice and termination shall have no effect if, within five (5) business days after actual receipt thereof, Company gives Artist notice that such suspension is ended. Notwithstanding the foregoing, any payment by Company to Artist during any period of suspension hereunder shall not waive Company's rights and remedies and Company may lift any suspension and re-impose it for the same event. Notwithstanding any termination hereof, the Credit, Insurance and Indemnity obligations of the parties set forth in this Agreement shall survive such termination.

10.5 If Company elects to terminate this Agreement, upon such termination, subject to the “pay or play’ and/or “pay and play” obligations set forth in the Principal Terms, the payment of all compensation paid to Artist prior to such termination shall comprise full and complete compensation for all services rendered by Artist prior to such termination, and for all the rights granted to Company hereby. As of the date of such termination, Company shall have no further obligation to Artist whatsoever, and if Artist has been paid any compensation in advance, Artist shall repay such advance to Company on demand. If this Agreement is terminated for any reason whatsoever, Artist shall, immediately upon receipt of the termination notice, deliver to Company any and all material theretofore created by Artist in connection with the Picture pursuant to this Director Agreement, and Company shall own all rights forever throughout the universe in and to such material in its own name without any claim thereto by Artist. The suspension and/or termination of this Agreement shall be in addition to any other of Company's legal and equitable remedies and shall not affect Company's ownership of the rights granted to it hereunder, or any of Artist's representations, warranties or indemnifications hereunder, all of which shall remain in full force and effect. Notwithstanding any other provision hereof: (i) if any other individual rendering services on the Picture is paid during a suspension occasioned by force majeure (except a force majeure event related directly to Artist), then Artist shall also be paid; (ii) if the Picture is released and Artist receives sole “Directed By’ credit, then notwithstanding any termination, Artist shall be entitled to all fixed and contingent compensation and bonuses.

10.6 Notwithstanding any of the foregoing provisions, in the event of a default by Artist hereunder, Artist shall have a cure period of seventy-two (72) hours, or during principal photography twenty-four (24) hours, from the time of Company’s written notice of default to cure same.

11. GOVERNING LAW. This Agreement is entered into and shall be deemed wholly performed in Los Angeles County, California and shall in all respects be governed by and construed in accordance with the laws of the State of California applicable to contracts made and to be entirely performed therein without regard to principles of conflicts of law. The parties specifically agree that the state or federal courts in Los Angeles County, California, shall have jurisdiction and venue in respect of any and all disputes in connection herewith.
12. **NOTICES.** Any payments, notices, documents, statements or other writings (collectively referred to herein as “Notices”) required or desired to be given hereunder shall be in writing and shall be sent to the parties hereto at their addresses stated below, or to such other address as Company or Artist may hereafter designate in writing in the manner provided above, and shall be sufficiently given by personal delivery, by telegraphing or telecopying, or by mailing the same in a postage prepaid wrapper addressed to the other party as aforesaid, and the date of such delivery, telegraphing, telecopying, or mailing shall be the date of the giving of such Notices.

All notices to Artist shall be sent to:

Company Name  
Attn: Artist Name  
Address:  
Fax: （ ）

Copies shall be sent to:

Lawyer/Law Firm  
Address:  
Fax:  

Agent  
Agency  
Fax No.: （ ）
All notices to Company shall be sent to:

Company formed for Film, LLC  
Address  
Attn:  
Fax No.:  

And to:

Production Attorney  
Address  
Attn:  
Fax No.:  

13. FURTHER DOCUMENTS. Artist shall execute and deliver all documents and instruments consistent herewith as Company may from time to time reasonably require, and will take such action as Company or Company’s successors and assigns may from time to time reasonably request, for the purpose of confirming, evidencing, establishing, maintaining, protecting, enforcing, defending at Company’s sole cost or further assuring Company’s title to the rights granted or intended to be granted hereunder. If Artist shall fail to sign any such document or take any such action within ten (10) days after Company’s request to do so. Artist hereby irrevocably authorizes, empowers and appoints Company, or any of its officers, as Artist’s true and lawful attorney-in-fact, in Artist’s name, place and stead, to take and do such action, and to make, sign, execute, acknowledge and deliver any and all of the foregoing documents and instruments. The foregoing power of attorney shall be coupled with an interest and is irrevocable. Company will promptly provide Artist with copies of all such attorney-in-fact executed documents.

14. MISCELLANEOUS PROVISIONS.

14.1 Waiver. No waiver by any party hereto of any breach by the other party of any term, covenant or condition of this Agreement shall be deemed a waiver of any other breach (whether prior to or subsequent) of the same or any other term, covenant or condition of this or any other agreement.

14.2 Binding Effect. This Agreement and all rights and obligations hereunder, shall be binding upon, and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, personal representatives, successors, licensees and permitted assigns.

14.3 Paragraph Headings. Paragraph headings used herein are for convenience only, and shall not be deemed to be part of this Agreement.

14.4 Severability. If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

14.5 No Partnership. Nothing herein contained shall constitute a partnership between, or joint venture by, the parties hereto, or constitute either party an agent of the other, the relationship of the parties being that of an independent contractor and hiring party. Neither party shall hold itself out contrary to the terms of this paragraph and neither party shall become liable by any representation, act or omission of the other contrary to the provisions hereof.
14.6 **Entire Agreement.** This Agreement represents the entire agreement between the parties hereto and supersedes all prior representations, negotiations, promises, understandings or agreements, whether oral or written, between the parties with respect to the subject matter hereof.

14.7 **Amendments.** No amendment or modification of this Agreement or of any covenant, condition, or limitation herein contained shall be valid unless in writing and made by the party to be charged therewith.

14.8 **Attorneys' Fees.** In any action between the parties relating to this Agreement, the enforcement of any of its terms or to any other contract relating to the subject matter of this Agreement, the prevailing party shall, in addition to any other award of damage or other remedy, be entitled to reasonable outside attorneys fees, costs and expenses as may be fixed by the Court or the arbitrator(s).

14.9 **Remedies Cumulative.** Except as may be expressly provided to the contrary herein, the parties’ various rights and remedies hereunder shall be cumulative and the exercise or enforcement of any one or more of them shall not preclude the enforcing party from exercising or enforcing any of those others or any right or remedy provided for by law.

**END OF STANDARD TERMS AND CONDITIONS**
CREW DEAL MEMO
Work for Hire

PRODUCTION COMPANY: COMPANY FORMED FOR FILM, LLC

Address:

MOTION PICTURE: Title

ANTICIPATED START DATE:

ANTICIPATED END DATE:

POSITION:

WORKER NAME:

CREDITED NAME: (please list name you wish to use as your screen credit)

ADDRESS:

PHONE:

Home:

Other:

SSN:

FED I.D.:

************************
(items below to be completed by production company only)

DAILY RATE:

RENTALS:

WORKER BOX AND EQUIPMENT IS SOLE RESPONSIBILITY OF WORKER. PRODUCTION COMPANY ASSUMES NO RESPONSIBILITY FOR SAME.

OTHER TERMS:
TERMS AND CONDITIONS

1. PAYMENT OF WAGES: Wages shall be paid to all Workers no later than Friday following the week in which services were performed. Pay date may be delayed by reason of an intervening federal or state holiday. Employment is for a 5-day work-week for preparation and a 6-day work-week during principal photography.

2. EXEMPT WORKERS: Workers shall not be entitled to additional overtime, turnaround or other hourly payments except as expressly provided in this deal memo.

3. NIGHTS, WEEKENDS, HOLIDAYS, WORK TIME: Unless expressly provided elsewhere in this deal memo, no increased or additional compensation shall accrue or be payable to Worker for the rendering of services at night or on weekends or holidays, or after the expiration of any particular number of hours of service in any period.

4. MEALS: The Production Company will provide meal breaks and/or food service at approximately six (6) hour intervals.

5. CAR INSURANCE: Worker is responsible for liability and collision insurance and deductibles on her/his personal vehicle used in conjunction with their employment. Any vehicle provided by the production shall be fully insured by production.

6. ALCOHOL/DRUGS: Without limitation of Production Company’s right to terminate or suspend Worker, use of alcohol and/or drugs during hours of employment will result in Worker’s immediate termination.

7. PURCHASES: Worker will be held personally responsible for purchases, rentals and expenses not approved in advance by production.

8. EXCLUSIVITY: Worker's services are on an exclusive basis to the production of the motion picture (the "Picture") referred to in this deal memo for such period of time as required unless otherwise specified in this deal memo.

9. CREDIT: Unless otherwise specified in this deal memo, screen credit is at Production Company’s discretion subject to Worker's performing all services required through completion of term.

10. TERM: Unless expressly provided elsewhere in this agreement, Worker's
employment hereunder shall not be for a "run of the show" or for any guaranteed period of employment. Production reserves the right to discharge Worker at any time, and is only obligated to pay Worker for work performed up to the point of discharge or termination of this agreement. Production Company will attempt to notify Workers a minimum of twenty-four (24) hours in advance of layoff. Without limitation of any of Production Company’s rights, this agreement is subject to immediate suspension and/or termination (at Production's sole election) without further obligation on the part of Production including, without limitation, in the event of any incapacity or default of Worker or in the case of any suspension, postponement or interference with the production by reason of labor controversy, strike, earthquake, act of God, governmental action, regulation, or decree or for any other customary force majeure reason.

11. WORK-FOR-HIRE: Production Company shall be the owner of all of the results and proceeds of Worker's services, including any copyright, trademark and any other intellectual property rights in any work or property created by Worker, or anyone under Worker's direction. Worker acknowledges that Worker's work is a "work made for hire" within the scope of Worker’s employment, and therefore Employer shall be the author and copyright owner of any work created under this agreement. In the event that any of proceeds of Worker's work are not considered a work for hire, then Worker's copyright to such work is hereby assigned to Employer.

12. ARBITRATION: This Agreement shall be interpreted in accordance with the laws of the State of California, applicable to agreements executed and to be wholly performed therein. Any controversy or claim arising out of or in relation to this Agreement or the validity, construction or performance of this Agreement, or the breach thereof, shall be resolved by arbitration in accordance with the rules and procedures of AFMA, as said rules may be amended from time to time with rights of discovery if requested by the arbitrator. Such rules and procedures are incorporated and made a part of this Agreement by reference. If AFMA shall refuse to accept jurisdiction of such dispute, then the parties agree to arbitrate such matter before and in accordance with the rules of the American Arbitration Association under its jurisdiction in Los Angeles before a single arbitrator familiar with entertainment law. The parties shall have the right to engage in pre-hearing discovery in connection with such arbitration proceedings. The parties agree hereto that they will abide by and perform any award rendered in any arbitration conducted pursuant hereto, that any court having jurisdiction thereof may issue a judgment based upon such award and that the prevailing party in such arbitration and/or confirmation proceeding shall be entitled to recover its reasonable attorneys' fees and expenses. The arbitration will be held in Los Angeles and any award shall be final, binding and non-appealable. The Parties agree to accept service of process in accordance with the AFMA Rules.

WORKER ACCEPTS ALL CONDITIONS OF EMPLOYMENT AS DESCRIBED ABOVE.
AGREED TO AND ACCEPTED:

___________________________________________
WORKER SIGNATURE

___________________________________________
DATE

___________________________________________
PRODUCTION COMPANY SIGNATURE

___________________________________________
DATE
CONFIDENTIAL DEAL MEMO

To: Producer
Company Formed for Film, LLC

From: Line Producer

Date:

RE: TITLE AGREEMENT

This memo shall serve as an agreement between TITLE The Movie, LLC (“Producer”) and ____________ (“Loan-out Company”) with regards to the motion picture project currently entitled TITLE (“The Picture”).

It is understood that Producer wishes to contract with Loan-out Company to Loan Out its employee ____________ (“Employee”) to serve as the Line Producer (“Services”) with regards to The Picture. It is also understood that Employee wishes to provide said Services to Producer and The Picture. Employee shall be accountable for all aspects of the production including but not limited to:

Preparing budgets and schedules, approving all monies paid out in accordance with The Picture, contracting vendors, assembling the crew, supervising the crew, and the supervision of the photography of The Picture. Employee will also be accountable for the budget of The Picture and staying on schedule with the production of The Picture. Employee will report to Producer, and will be available at all times and for such periods of time as are reasonably designated by Producer.

For the above Services, Producer agrees to grant Loan-out Company the total compensation of ____________ Dollars ($______) to be a below the line item in the budget and to be paid as follows:

• Insert schedule for payment

Producer also agrees to grant Loan-out Company, for its Employee Services, the following credits:

• Credit agreed upon

Producer agrees to keep Employee informed of all contracts negotiated by Producer for The Picture, to get Employee’s approval for all monies to be paid out in accordance with The Picture, and to stay in communication with Employee with regards to any decisions made in relation to The Picture that Employee will be responsible for. Employee understands that this does not constitute any form of “Control” of The Picture and that Producer retains full and ultimate “Control” of The Picture, and agrees to keep Producer informed of daily activities, crew hired, and vendors contracted.

If this memo is to your satisfaction and understanding please indicate by signing and dating below:

_________________________________________  ________________
Producer  Date
TITLE The Movie, LLC

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POST PRODUCTION SUPERVISOR AGREEMENT

This Agreement is made and entered into as of _______ (the “Agreement”) between COMPANY FORMED FOR FILM, LLC (“Company”) and POST PROD. COMPANY ("Lender") for the services of ___________, (collectively, “Employee”) in connection with Company’s proposed theatrical motion picture tentatively entitled “TITLE OF FILM” (the “Picture”). In consideration of the mutual covenants and agreements contained herein, Company and Lender hereby agree as follows:

1. **EMPLOYMENT AND START DATE.** Company hereby engages Lender to provide the services of Employee, and Lender hereby accepts such engagement upon all of the terms and conditions set forth herein, to provide Employee’s exclusive, first call, first priority services as a post supervisor, as well as providing all post sound services in connection with the Picture. Lender shall cause Employee’s services to commence on such date(s) as Company designates in its sole discretion and Lender agrees that Employee shall render all services, (including without limitation all post supervisor and all post sound services customarily rendered as standard in the motion picture industry), required by Company in connection with the Picture upon all of the terms and conditions set forth herein.

2. **TERM.** The term of this Agreement (the “Term”) will commence on the date hereof and will continue through completion of all of Employee’s services in connection with the Picture.

3. **COMPENSATION.** On the conditions that neither Lender nor Employee is in material default or otherwise in material breach of this Agreement, Lender and Employee execute and deliver to Company this Agreement and Employee renders and fully completes all of Employee’s services hereunder, Company will pay Lender, in full consideration of all services of Employee, all rights now or otherwise to be granted to or otherwise acquired by Company, and all of the representations, warranties and agreements of Lender and Employee hereunder, the following compensation: a service fee of _____________ ($______) upon completion of services and a deferred fee of _____________ to be paid after recoupment of all costs, including but not limited to financing, production and distribution costs associated with the Picture.

4. **ALL-INCLUSIVE FLAT FEE.** The compensation payable to Lender pursuant to this Agreement is an all-inclusive flat fee in respect of any and all uses of the Picture, and all elements of the foregoing in any and all media, whether now known or hereafter developed, throughout the universe, in perpetuity, in all versions (including without limitation digitized versions), in all languages and for any and all purposes, including, without limitation, all replays, broadcasts in any foreign area, theatrical exhibitions and exhibitions in any supplemental market. Without limiting the foregoing, no additional compensation will be payable to Lender for Employee's services hereunder by reason of overtime, weekend work, holidays, reruns and the like.

5. **CREDIT.** On the conditions that neither Lender nor Employee is in material default or otherwise in material breach of this Agreement and subject to any reasonable third party restrictions and approvals, Company will accord Employee credit substantially in the form of _____________ on the screen on a shared card of the Picture, to be placed at Company’s discretion, in the main titles (i.e. where the individual credits for other producers appear, whether located in the beginning or end of the Picture).

Company will also provide credit to Employee in all paid advertising relating primarily to the Picture issued by, or under the direct control of, Company ("Paid Ads"), below or after the title of the Picture,
among the Paid Ad producer credits, in a size of type not less than the size of type used to display the name of any other producer in such Paid Ad whose name appears below or after the title of the Picture.

Company's Paid Ad credit obligations shall not apply to the following Paid Ads (hereinafter "Excluded Ads"): group, list, institutional or so-called teaser advertising; announcement advertising; advertising relating primarily to the source material upon which the Picture is based, or to the author, any member of the cast, the producer(s), writer(s) or any other personnel involved with the production of the Picture; so-called "award" or "congratulatory" advertisements, including advertisements or announcements relating to consideration or nomination for an award; trailers (including promotional films or other screen, radio or television advertising; advertising in narrative form; advertising for film festivals, film markets and the like; advertising one-half page (or the equivalent in SAU's) in size or less; outdoor advertising (including, but not limited to so-called 24-sheets); theater display advertising; advertising in which no credit is accorded other than credit to one (1) or two (2) stars of the Picture and/or to Company and/or to any other company financing or distributing the Picture. The following shall not be considered Paid Ads or Excluded Ads for any purpose hereunder: videocassettes, videodiscs and other home video devices and the covers, packages, containers or jackets therefor; publicity and promotional items and materials; advertising relating to subsidiary or ancillary rights in the Picture (including, but not limited to novelizations, screenplays or other publications, products, merchandising, music publishing or soundtrack recordings); voiceovers, advertising, publicity and exploitation relating to by-products or commercial tie-ins; and other advertising not relating primarily to the Picture.

All other matters relating to credit will be at Company's sole discretion. No casual, inadvertent or unintentional failure by Company to comply with the credit provisions hereof (by reason of shortage of time or otherwise) nor any failure by any third party to comply with such credit provisions will constitute a breach by Company of this Agreement.

6. **NOTICES.** Company's, Lender's and Employee's respective addresses for notice purposes will be as follows:

**To Company:**
COMPANY FORMED FOR FILM, LLC  
c/o Company Name  
Address

**With a courtesy copy to:**
Production Attorney  
Address  
Attention:

**To Lender and Employee:**
Post Production Company

7. **CERTIFICATE OF RESULTS AND PROCEEDS / STANDARD TERMS AND CONDITIONS.** Certificates of Results and Proceeds are attached hereto as “Exhibit A-1” and “Exhibit A-2,” respectively, and incorporated herein by reference. In addition, the balance of the terms and conditions of this Agreement consist of Company’s Standard Terms and Conditions (“Standard Terms”), attached hereto as “Exhibit B” and incorporated herein by this reference, it being understood and agreed that such Standard Terms will be subject to such change(s), if any, as are agreed to in
writing by the parties hereto following good faith negotiations, it being further understood and agreed that unless and until, and only to the extent that any such change(s) are so agreed to, the provisions of said Standard Terms will govern. In the event of any conflict between the foregoing provisions of this Agreement and the applicable provisions of the Standard Terms, the foregoing provisions of this Agreement will govern.

8. REPRESENTATIONS AND WARRANTIES. Lender and Employee represent and warrant that:

(a) Authority and Non-Interference. Lender and Employee are free to enter into this Agreement; Lender and Employee have the right to render services in accordance with the terms and conditions hereof; Lender and Employee are not subject to any obligation or disability which would interfere with or prevent the full performance by Lender and/or Employee of Lender and/or Employee's services hereunder; and Lender and Employee have not done, nor will Lender and/or Employee do, any act, and neither Lender nor Employee has made, nor will Lender and/or Employee make, any grant or assignment, which will or might interfere with the complete enjoyment of the rights and privileges herein granted to Company.

(b) Created Material. All material, works, writings, ideas, "gags" or dialogue written, composed, prepared, submitted or interpolated by Lender and/or Employee in connection with the Picture or its preparation or production, shall be wholly original with Lender and/or Employee (or in the public domain) and shall not be copied in whole or in part from any other work, except for material submitted to Employee by Company for inclusion in and included in the Picture and any material added to the Picture by Company or at Company's request and/or knowledge and not created by Employee.

9. INDEMNITY. Lender and Employee shall indemnify and hold Company, its parents, affiliates, subsidiaries, employees, directors, officers, agents, successors, assigns and licensees, and each of them, harmless from and against any and all liabilities, judgments, claims, demands, damages, penalties, interest, costs and expenses of every kind whatsoever (including, without limitation, reasonable attorneys' and accountants' fees and disbursements) (collectively, "Expenses") suffered or incurred by Company, the aforementioned parties and/or any of them, arising out of or resulting from any default by Lender or Employee, or any breach by Lender or Employee of Lender and/or Employee's representations, warranties, undertakings and/or agreements hereunder and/or resulting from Lender and/or Employee's tortious or negligent conduct. Company shall defend (selecting its own counsel), indemnify and hold Lender and Employee harmless from and against any and all Expenses suffered or incurred by Lender and Employee, arising out of or by reason of or resulting from any third party claim based upon material submitted by Company to Lender and Employee for inclusion in and included in the Picture and/or by reason of any third party claim arising out of Company's production, distribution and/or exploitation of the Picture; provided, however, that the foregoing indemnification shall not apply to any Expenses or third party claims arising out of or resulting from Lender's or Employee's tortious or negligent conduct or from any breach of Lender's or Employee's covenants, representations or warranties hereunder.

10. EQUITABLE RELIEF.

(a) Lender and Employee acknowledge that the services to be rendered by Lender and Employee hereunder are of a special, unique, unusual, extraordinary and intellectual character that gives them a peculiar value, the loss of which Company cannot be reasonably or adequately compensated in damages, and that a breach by Lender or Employer of any provision of this Agreement may cause Company irreparable injury and damage. Accordingly, Lender and Employee expressly agree that Company will be entitled to seek injunctive and other equitable relief to prevent a breach of this Agreement or any part thereof by Lender and/or Employee and to secure its enforcement.
(b) Lender and Employee acknowledge that, in the event of any breach of this Agreement by Company or any third party, the damage, if any, caused Lender and/or Employee thereby will not be irreparable or otherwise sufficient to entitle Lender or Employee to seek injunctive or other equitable relief. Lender and Employee acknowledge that Lender’s and Employee’s rights and remedies in any such event will be strictly limited to the right, if any, to recover damages in an action at law, and neither Lender nor Employee will have the right to rescind this Agreement or any of Company’s rights hereunder, nor the right to enjoin the production, exhibition or other exploitation of the Picture, any subsidiary or allied rights with respect thereto, or any other results and proceeds of Lender’s or Employee’s services hereunder, nor will Lender or Employee have the right to terminate Lender’s or Employee’s services or obligations hereunder by reason of such breach. Without limiting the foregoing or Company’s other rights under this Agreement or at law or in equity, under no circumstances will any act or omission of Company which would otherwise constitute a breach or alleged breach of this Agreement be deemed such unless Lender or Employee notifies Company in writing setting forth in detail the basis for such breach or alleged breach and Company fails to commence reasonable efforts to cure such breach or alleged breach within thirty (30) days of Company’s receipt of such notice.

If the foregoing correctly sets forth your understanding of the agreement between Company and Lender for the services of Employee, please so indicate by signing in the space provided below.

COMPANY FORMED FOR FILM, LLC

By: _________________________________

Its: _________________________________

AGREED AND ACCEPTED:

POST PRODUCTION COMPANY

By: _________________________________

Its: _________________________________

_______________________________
Name
These Standard Terms and Conditions ("Standard Terms") are part of, and are incorporated into, that certain agreement ("Underlying Agreement"), dated as of ______________ between COMPANY FORMED FOR FILM, LLC ("Company") and Image Resources ("Lender") for services of NAME OF POST SUPERVISOR ("Employee") relating to the post supervisor, post sound services, labor and other services in connection with the motion picture tentatively entitled "TITLE" ("Picture"). These Standard Terms and the Underlying Agreement shall hereinafter be collectively referred to as the "Agreement." Unless expressly provided to the contrary herein, (i) all terms used herein shall have the same meaning as set forth in the Underlying Agreement and (ii) to the extent that any provision of these Standard Terms conflicts with any provision of the Underlying Agreement, the Underlying Agreement shall control. The term "Section(s)" refers to the numbered provisions of the Underlying Agreement and the term "Paragraph(s)" refers to the numbered provisions of the Standard Terms.

1. EMPLOYEE'S SERVICES. Employee's services on the Picture will be rendered either alone or in cooperation with other persons in such manner as Company may direct, under the instructions and in strict accordance with the controls and schedules established by Company's authorized representatives and at the times, places and in the manner required by said representatives. Such services shall be rendered in an artistic, conscientious, efficient and punctual manner to Employee's best ability and with full regard to the careful, efficient, economical and expeditious production of the Picture within the budget, shooting schedule and policies established by Company, it being understood that Company's production of motion pictures involves matters of discretion to be exercised by Company in respect to art and taste and Employee's services and the manner of rendition thereof are to be governed by Company.

2. COMPANY'S OWNERSHIP RIGHTS; DROIT MORAL. Company hereby is and shall be the sole and exclusive owner and is the sole author for all purposes (including, but not limited to, under the Copyright laws of the United States), in perpetuity and throughout the universe, of all of the following from the moment of their creation, at every stage of their development or completion: (i) all right, title and interest in and to the Results and Proceeds (as defined below) of Lender's and Employee's services hereunder, all of which shall be a "work made for hire" for Company prepared within the scope of Lender's engagement and Employee's employment and/or as a work specially ordered or commissioned for use as a part of a motion picture or other audio-visual work; (ii) all right, title and interest in and to the Picture and the material upon which it is based, including, but not limited to, the copyright in and to the Picture and any renewals and extensions of such copyright and all moral rights of authors with respect thereto; (iii) all distribution, exhibition, exploitation, allied, ancillary and/or subsidiary rights with respect to the Picture and/or the Results and Proceeds in any and all media, whether now or hereafter known, including, without imitation, theatrical, non-theatrical, pay-per-view, home video (including videocassettes, digital videodiscs, laserdiscs and all other formats), all forms of television (including pay, free, network, syndication, cable, satellite and digital), video-on-demand, and all forms of digital distribution and/or transmission (including without limitation, the internet); and (iv) all other tangible and intangible rights of any nature relating to, and all proceeds and benefits of any nature derived from, the Picture and/or the Results and Proceeds. Without limiting the foregoing, in the event that any of the Results and Proceeds are not deemed to be a "work made for hire" for Company, Lender and Employee hereby irrevocably and exclusively assign to Company (or if any applicable law prohibits or limits such assignment, Lender and Employee hereby irrevocably license to Company) all right, title and interest in and to such Results and Proceeds (including all copyrights therein and thereto and all renewals and extensions thereof), and all
rights to exploit the same throughout the universe, in perpetuity, in any and all media, whether now known or hereafter devised. Lender and Employee hereby waive any so-called "moral rights of authors" and "droit moral" rights (and any similar or analogous rights under the applicable laws of any country of the world) which Lender and Employee may have in connection with the Picture or the Results and Proceeds. Lender and Employee further hereby irrevocably assign to Company (or if any applicable law prohibits or limits such assignment, Lender and Employee hereby irrevocably licenses to Company), in perpetuity throughout the universe, all of Lender's and Employee's rights, if any, to authorize, prohibit and/or control the renting, lending, fixation, reproduction and/or other exploitation of the Picture by any media and/or means now known or hereafter devised as may be conferred upon Lender or Employee under applicable laws, regulations or directives, including, without limitation, any so-called "Rental and Lending Rights" pursuant to any European Union ("EU") directives and/or enabling or implementing legislation, laws or regulations enacted by the member nations of the EU. As used herein, "Results and Proceeds" shall mean all results and proceeds of Lender's and Employee's engagement and services under this Agreement or otherwise relating to the Picture, including all themes, plot, characters, ideas and story contained therein and all other materials of any kind created by Employee during the period of Lender's and Employee's exclusive services hereunder and all so-called "moral rights of authors" or "droit moral" rights (and/or any similar or analogous rights under any applicable law of any jurisdiction) with respect to any of the foregoing, and the right to make such changes therein and/or uses thereof as Company shall from time to time determine in its sole discretion.

3. **INJUNCTIVE RELIEF.** Lender and Employee acknowledges and agrees that the services to be rendered by Lender and Employee hereunder are of a special, unique, unusual, extraordinary and intellectual character, making them difficult to replace and giving them a peculiar value, the loss of which cannot be reasonably compensated in damages in an action at law; that if Lender or Employee breaches any provision of this Agreement, Company will be caused irreparable damage; and that, therefore, Company shall be entitled, as a matter of right, at its election, to enforce this Agreement and all of the provisions hereof by injunction or other equitable relief.

4. **SUSPENSION AND TERMINATION.**

4.1 **Suspension.**

4.1.1 **Company's Suspension Rights.** Lender's and Employee's services and the accrual of compensation hereunder shall be automatically suspended (unless Company notifies Lender or Employee otherwise) during all periods when:

A. **Disability.** Employee is unable to perform Employee's obligations hereunder by reason of mental or physical disability (including the death of Employee) ("Disability"). If any claim of Disability is made by or on behalf of Employee, Company shall have the right to have Employee examined by such physician(s) as Company may designate, with Employee's physician present (at Employee's sole cost) if Employee so requests, provided that such physician does not interfere with the examination conducted by Company's physician;

B. **Default.** Lender or Employee fails, refuses or neglects to comply with Lender's and/or Employee's obligations hereunder or (directly or through any representative) states an intention to do so ("Default"); provided, however, that if (y) such Default is inadvertent (i.e. not intentional or repeated) and is by its nature reasonably curable and (z) allowing Lender or Employee to cure such Default will not result in additional expense to Company, then on a one-time-only basis Lender or Employee shall have a period of forty-eight (48) hours [reducible to twenty-four (24) hours during periods of principal photography] from the date of notice from Company of such Default within which to cure the first such Default; and/or
C. Force Majeure. As a result of any Act of God; war; accident; fire; earthquake; strike; lock-out or other labor controversy; riot; civil disturbance; act of public enemy; law, enactment, rule, restraint, order or act of any governmental instrumentality or military authority; failure or inability to obtain any necessary permit or license; failure of technical facilities; inability to obtain sufficient labor, technical or other personnel (including, without limitation, cast or crew members); failure, delay or reduction in transportation facilities or water, electricity or other public utilities; death, disability, disfigurement (with respect to cast only), or inability to obtain health insurance for a principal member of the cast, the director, any employee or key crew member or inability to obtain visas, labor permits or other governmental licenses for any such persons (other than Employee); or any other cause not reasonably within Company's control or which Company could not by reasonable diligence have avoided, Company is hampered in the development or production of the Picture or Company's normal business operations become commercially impracticable ("Force Majeure"). Notwithstanding the foregoing, Company shall not suspend Employee's services due to an event of Force Majeure unless the services of other employees have also been suspended (exclusive of any person whose suspension might cause Company to lose rights in the material on which the Picture is based).

4.1.2 Effect of Suspension. If any such Force Majeure, Disability or Default should occur prior to the Start Date, the Start Date may be postponed by Company for a period equal to the duration of such Force Majeure, Disability or Default plus the period commencing on the occurrence of such event and ending on the originally scheduled Start Date, and (unless Company gives Lender or Employee notice to the contrary) such postponement shall not be deemed a suspension of this Agreement or Employee's services hereunder; provided, however, that Company may reduce the period of postponement in its own discretion upon notice thereof to Lender or Employee. Any suspension shall be for the duration of any such Force Majeure, Disability or Default plus such reasonable period of time as may be deemed necessary by Company to commence or recommence development or production of the Picture and, unless Company notifies Lender or Employee in writing to the contrary, Employee's services hereunder shall be automatically extended by such number of days as equal the total number of days of such suspension. A suspension hereunder shall not relieve Lender or Employee of any of Lender's and Employee's obligations to perform hereunder. During any suspension, neither Lender nor Employee shall render any services for others or for themselves/themselves in the field of entertainment, except that during a suspension predicated on Force Majeure, Employee may render such other services, provided that any and all commitments for such services are subordinate to the obligations of Employee's services hereunder, including Employee's obligation to resume rendering services to Company promptly upon termination of the suspension. If Company terminates any Force Majeure suspension hereunder, Company may not thereafter re-suspend Employee's services based upon the same continuous event of Force Majeure. Payment of any compensation accrued and unpaid prior to the suspension shall be subject to all of Company's rights and remedies (including the right of offset) for Employee's Default.

4.2 Termination.

4.2.1 Termination Rights of the Parties.

A. Employee's Termination Right. If a suspension predicated on Force Majeure continues for eight (8) or more consecutive weeks or for an aggregate of ten (10) or more weeks, Lender and Employee may give Company written notice of Lender's and Employee's desire to terminate this Agreement, and unless Company terminates such suspension within seven (7) business days after its receipt of such notice, this Agreement shall terminate.
B. Company's Termination Rights. Company shall have the right to terminate Employee's services upon the occurrence of any of the following by delivering written notice to Lender or Employee:

(i) Employee's Disability continuing for either three (3) days during Employee's rendition of Pre-Production Services or services in connection the principal photography of the Picture or at any other time, seven (7) or more consecutive days or an aggregate of fourteen (14) or more days;

(ii) Default;

(iii) If an event of Force Majeure: (aa) occurs prior to or on the Start Date; or (bb) occurs after the Start Date and continues for eight (8) or more consecutive weeks or for an aggregate of ten (10) or more weeks (such period to be reduced to two (2) weeks during Employee's rendition of Pre-Production Services and services in connection with the principal photography of the Picture); or (cc) affects development and/or production in a manner incapable of being corrected within the foregoing time periods; or (dd) has an impact that, at the time of onset, can reasonably be expected to continue for not less than two weeks; or

(iv) Any event or contingency expressly provided for in this Agreement. Notwithstanding the foregoing, Company shall not terminate Employee's services due to an event of Force Majeure unless the services of substantially all other employees have also been terminated (exclusive of any person whose termination might cause Company to lose rights in the material on which the Picture is based).

4.2.2 Effect of Termination. If Lender/Employee or Company terminates this Agreement in accordance with the provisions of this Paragraph 4, Company shall be released and discharged from any liability or obligation whatsoever to Lender or Employee hereunder; provided, however, that if Company terminates this Agreement pursuant to this Paragraph 4 for any reason other than Employee's Default, Lender shall be entitled to receive that portion of the fixed compensation, if any, that has theretofore accrued and become payable to Lender pursuant to the Agreement for services rendered by Employee prior to the date of such termination and the insurance and indemnity provisions contained in this Agreement shall survive any such termination.

4.3 Company's Breach. No act or omission of Company hereunder shall constitute an event of Default or breach of this Agreement unless Lender and Employee shall first notify Company in writing setting forth such alleged breach or Default and Company shall not cure the same within thirty (30) days (which period shall be reduced to ten (10) business days if such alleged breach or Default concerns a payment which has become due and payable to Lender and neither the accrual of such payment, nor the amount of such payment, is in dispute) after receipt of such notice.

4.4 Other Agreements. Any breach or Default by Lender or Employee of any other agreement between Company and Lender and/or Employee for Employee's services in connection with the Picture ("Other Services Agreements") shall constitute a breach or a Default by Lender and Employee under this Agreement. Any breach or Default by Lender or Employee under this Agreement shall constitute a breach or Default by Lender and Employee under the Other Services Agreements. No breach or Default by Lender or Employee under this Agreement or under the Other Services Agreement shall affect Company's acquisition of rights in connection with the Picture (or any material upon which the Picture is based or which is incorporated therein) pursuant to any rights agreement with Lender or Employee or any other third parties.
5. **NOTICES.** All notices required hereunder shall be in writing and shall be given either by personal delivery, telecopy/facsimile or by federal mail (postage prepaid), and shall be deemed given hereunder on the date personally delivered or telecopied, or the date two (2) business days after the date mailed if mailed in the United States, and five (5) business days after the date mailed if mailed outside of the United States. Until further notice, the addresses of the parties shall be as follows:

5.1 For Lender and Employee, as indicated in the Underlying Agreement.

5.2 For Company:

PRODUCTION ATTORNEY
Address
Fax No.:
Attn.:

6. **REPRESENTATIONS AND WARRANTIES.** Lender and Employee represent and warrant that:

6.1 **Authority and Non-Interference.** Lender and Employee are free to enter into this Agreement; Lender and Employee have the right to render services in accordance with the terms and conditions hereof; neither Lender nor Employee is subject to any obligation or disability which would interfere with or prevent the full performance by Employee of Employee's services hereunder; and Lender and Employee have not done, nor will Lender and/or Employee do, any act, and neither Lender nor Employee has made, nor will Lender or Employee make, any grant or assignment, which will or might interfere with the complete enjoyment of the rights and privileges herein granted to Company.

6.2 **Created Material.** All material, works, writings, ideas, "gags" or dialogue written, composed, prepared, submitted or interpolated by Lender and/or Employee in connection with the Picture or its preparation or production, shall be wholly original with Lender and/or Employee and shall not be copied in whole or in part from any other work, except that material submitted to Employee by Company for inclusion in and included in the Picture.

7. **INDEMNITY.** Lender and Employee shall indemnify and hold Company, its parents, affiliates, subsidiaries, employees, directors, officers, agents, successors, assigns and licensees, and each of them, harmless from and against any and all liabilities, judgments, claims, demands, damages, penalties, interest, costs and expenses of every kind whatsoever (including, without limitation, reasonable attorneys' and accountants' fees and disbursements) (collectively, "Expenses") suffered or incurred by Company, the aforementioned parties and/or any of them, arising out of or resulting from any Default by Lender or Employee, or any breach by Lender or Employee of Lender’s or Employee’s representations, warranties, undertakings and/or agreements hereunder and/or resulting from Lender’s or Employee’s tortious or negligent conduct. Company shall defend (selecting its own counsel), indemnify and hold Lender and Employee harmless from and against any and all Expenses suffered or incurred by Lender or Employee, arising out of or by reason of or resulting from any third party claim based upon material submitted by Company to Employee for inclusion in and included in the Picture and/or by reason of any third party claim arising out of Company's production, distribution and/or exploitation of the Picture; provided, however, that the foregoing indemnification shall not apply to any Expenses or third party claims arising out of or resulting from Lender’s or Employee's tortious or negligent conduct or from any breach of Lender's or Employee's covenants, representations or warranties hereunder.

8. **COMMITMENTS TO OTHERS.** Lender and Employee shall not have the right or authority to, and shall not, (i) employ any person in any capacity, (ii) contract for the purchase or rental of any article or
material, or (iii) make any commitment, agreement or obligation whereby Company shall be required to pay any monies or other consideration, without Company's prior written consent in each instance.

9. **RIGHT TO WITHHOLD.** Company shall have the right to deduct and withhold from any sums payable to Lender hereunder (i) any amounts required to be deducted and withheld by Company pursuant to any present or future law, ordinance or regulation of the United States or of any state thereof or any subdivision of any state thereof, or of any other country, including, without limitation, any country wherein Lender and/or Employee performs any services hereunder.

10. **INSURANCE.**

   10.1 **Company's Insurance Rights.** Company shall have the right to apply for and take out, at Company's expense, life, health, accident, cast or other insurance covering Employee, in any amount Company deems necessary to protect Company's interest hereunder. Neither Lender nor Employee shall have any right, title or interest in or to such insurance. Lender and Employee shall assist Company in obtaining such insurance by submitting to usual and customary medical and other examinations, and by signing such applications, statements and other instruments as may be reasonably required by any insurance company. Employee may have Employee's own physician present at any such examination at Employee's own expense. In the event Employee fails or is unable to qualify for such insurance at customary rates and subject only to customary exclusions and deductible amounts (if any), Company shall have the right to terminate this Agreement; provided, however, that Company shall not exercise such termination right if Lender or Employee promptly pays the excess over the normal cast insurance policy premium, but only if: (i) the condition to Employee's insurability thereunder is a single money payment of excess premium and not a policy exclusion or any other condition related to the production of the Picture, and (ii) Company, in Company's reasonable judgment, believes that the cause of the premium increase does not constitute a substantial risk to the timely completion of the Picture. During the term of this Agreement, Employee shall not travel on any chartered or unscheduled airline or plane, unless requested to do so by Company, or engage in any conduct prohibited by any policy of insurance obtained by Company in accordance with this Agreement.

   10.2 **Company's Insurance Obligations.** Lender and Employee shall be covered on Company's errors and omissions insurance policy for the Picture, subject to the restrictions, limitations, terms and exclusions of said policy. In addition, Employee shall, as and to the extent Employee is deemed an employee of Company, be covered on Company's general liability insurance policy for the Picture in connection with Employee's services under this Agreement and/or the Picture, subject to the restrictions, limitations, terms and exclusions of said policy. The foregoing shall not be construed so as to limit or otherwise affect any obligation, representation, warranty or agreement of Lender or Employee or so as to require Company to obtain and/or maintain any such insurance policies.

11. **MISCELLANEOUS.**

   11.1 **Governing Law.** THE INTERNAL SUBSTANTIVE LAWS (AS DISTINGUISHED FROM THE CHOICE OF LAW RULES) OF CALIFORNIA APPLICABLE TO CONTRACTS MADE AND PERFORMED ENTIRELY IN CALIFORNIA SHALL GOVERN (i) THE VALIDITY AND INTERPRETATION OF THIS AGREEMENT, (ii) THE PERFORMANCE BY THE PARTIES OF THEIR RESPECTIVE OBLIGATIONS HEREUNDER, AND (iii) ALL OTHER CAUSES OF ACTION (WHETHER SOUNDING IN CONTRACT OR IN TORT) ARISING OUT OF OR RELATING TO THIS AGREEMENT (OR LENDER'S OR EMPLOYEE'S ENGAGEMENT AND/OR SERVICES HEREUNDER) OR THE TERMINATION OF THIS AGREEMENT (OR OF LENDER'S OR EMPLOYEE'S ENGAGEMENT AND/OR SERVICES).
11.2 Legal Proceedings. The parties hereto agree that any dispute or controversy relating to any of the matters referred to in clauses (i), (ii) and/or (iii) of Paragraph 11.1, above, shall be decided in accordance with California law, and the parties hereby submit to the jurisdiction of the State and Federal courts located in California. All such proceedings shall be closed to the public and confidential and all records relating thereto shall be permanently sealed.

11.3 Non-Waiver; Effect of Termination; Entire Agreement; Severability. No waiver by Lender, Employee or Company of any failure by the other to keep or perform any covenant or condition of this Agreement shall constitute a waiver of any preceding or succeeding breach of the same or any other covenant or condition. Neither the expiration nor the termination of this Agreement for any reason whatsoever shall affect the rights granted hereunder by Lender and/or Employee or Company's ownership thereof, and the representations and warranties of Lender and Employee hereunder shall survive any such expiration or termination. This Agreement constitutes the entire agreement between Company and Lender for the services of Employee with respect to the subject matter hereof and may only be amended by a written instrument executed by Company, Lender and Employee. If one or more provisions of this Agreement are held to be illegal or unenforceable under applicable law, such illegal or unenforceable portion(s) shall be limited or excluded from this Agreement to the minimum extent required and the remaining portions of this Agreement shall be interpreted as if such portion(s) were so limited or excluded and shall be enforceable in accordance with its terms. Each party represents and declares that in executing this Agreement the party is relying solely upon the party's own judgment, belief and knowledge, and the advice and recommendations of the party's own independently selected counsel. This Agreement is the result of negotiations between the parties and is the joint product of the parties, and no provision shall be construed against any party on the ground that the party drafted that provision.

11.4 Visas and Labor Permits. Lender and Employee agree to cooperate with Company and assist Company in securing such visas and labor permits as may be required by any governmental agency in connection with Employee's rendition of services hereunder. If, in spite of such cooperation and assistance, Company is unable to secure such visas and labor permits within a reasonable time period prior to the Start Date, Company shall have the right to suspend Employee's services hereunder until a final determination concerning such visa or labor permit is made by the applicable authority, and Company shall have the right to terminate this Agreement, Employee's engagement and Employee's employment hereunder if such visas and labor permits cannot be secured.

11.5 Company's Remedies. All remedies accorded herein or otherwise available to Company shall be cumulative and no one such remedy shall be exclusive of any other. Without waiving any rights or remedies under this Agreement or otherwise, Company may from time to time recover, by action at law, any damages arising out of any breach of this Agreement by Lender or Employee and may institute and maintain subsequent actions for additional damages which may arise from the same or other breaches. The commencement or maintaining of any such action or actions by Company shall not constitute an election on Company's part to terminate this Agreement nor constitute or result in the termination of Employee's services hereunder unless Company shall expressly so elect by written notice to Lender or Employee. The pursuit by Company of any remedy under this Agreement or otherwise shall not be deemed a waiver of any other or different remedy which may be available under this Agreement or otherwise, either at law or in equity.

11.6 Lender's and Employee's Remedies. The rights and remedies of Lender and Employee in the event of any breach by Company of this Agreement or any of Company's obligations hereunder shall be limited to Lender's and Employee's right to recover damages, if any, in action at law, and Lender and
Employee hereby waives any right or remedy in equity, including without limitation any right to terminate or rescind this Agreement or Company's ownership of the Picture or the Results and Proceeds or any other right granted to Company hereunder and/or to seek injunctive or other equitable relief with respect to any breach of Company's obligations hereunder and/or to enjoin or restrain or otherwise impair in any manner the production, distribution, exhibition or other exploitation of the Picture, or any parts or elements thereof, or the use, publication or dissemination of any advertising in connection therewith.

11.7 Captions. The captions used in connection with the paragraphs and subparagraphs of this Agreement are inserted only for the purpose of reference. Such captions shall not be deemed to govern, limit, modify, or in any other manner affect the scope, meaning, or intent of the provisions of this Agreement or any part thereof; nor shall such captions otherwise be given any legal effect.

11.8 Governmental Limitation. If the compensation provided for by this Agreement shall exceed the amount permitted by any present or future law or governmental order or regulation, such compensation shall be reduced, while such limitation is in effect, to the amount which is so permitted, and the payment of such reduced compensation shall be deemed to constitute full performance by Company of its obligations respecting the payment of compensation hereunder. The balance of such compensation, if any, shall be paid if and when, if ever, such law, governmental order or regulation is lifted or removed.

11.9 Assignment. Company shall be free to assign this Agreement and its rights hereunder, and to delegate its duties, obligations and liabilities hereunder, at any time and from time to time, in whole or in part, to any person or entity and upon such assignment Company shall be released and discharged of and from any and all of its duties, obligations and liabilities hereunder if such assignment is to: (i) a person or entity into which Company merges or is consolidated or (ii) a person or entity which acquires all or substantially all of Company's business and assets or (iii) a person or entity which is controlled by, under common control with, or controls Company or (iv) any major or "mini-major" motion picture company, United States television network or (v) other financially responsible party who assumes in writing the performance and obligations of Company hereunder to be performed from and after such assignment. Neither Lender nor Employee may not assign this Agreement or Lender's and/or Employee's rights hereunder, or delegate Lender's and/or Employee's duties under this Agreement in whole or in part.

12. FURTHER INSTRUMENTS. Lender and Employee shall duly execute, acknowledge and deliver to Company or cause to be executed, acknowledged and delivered to Company, any and all assignments or instruments which Company may deem necessary to carry out and effectuate the purposes and intent of this Agreement, including, without limitation, separate assignments of any rights granted by Lender and Employee in this Agreement. In the event Lender or Employee fails to execute any such instrument within 5 business days after Company's written request therefore, unless a shorter period of time is reasonably required by Company, Lender and Employee hereby irrevocably appoint Company as Lender's and Employee's attorney-in-fact, which appointment shall be deemed a power coupled with an interest, with full rights of substitution and delegation, to execute, acknowledge and deliver any such instruments in Lender's and/or Employee's name and on Lender's and Employee's behalf. Company agrees to provide Lender or Employee with a courtesy copy of any such document that Company executes on behalf of Lender and Employee, provided that a failure to do so shall not constitute a breach of this Agreement.

END OF STANDARD TERMS
EXHIBIT A-1

CERTIFICATE OF RESULTS AND PROCEEDS
(“AGREEMENT”)

For good and valuable consideration, the receipt and sufficiency of which is acknowledged by me, __________, I hereby certify that all work and other material of whatever kind or nature, whether written, unwritten or to be written, furnished or to be furnished by me, and all of the results and proceeds of my services (which I acknowledge have been and/or will be rendered in collaboration with others) in connection with the motion picture production presently entitled “TITLE” (“Project”) (all such work and other material and results and proceeds being referred to collectively herein as the "Material"), was and/or will be solely created by me as a "work-for-hire" specially ordered or commissioned by COMPANY FORMED FOR FILM, LLC (“Producer”), with Producer being deemed the owner of all rights of every kind or nature in and to the Material (including but not limited to all copyrights, trademarks and tradenames, logos, designs and trade dress in each of the foregoing and all registrations, applications, renewals and extensions thereof worldwide), in all media now known or hereafter devised, for all now known or hereafter existing uses, versions (including, without limitation, digitized versions), media, forms, means and methods including without limitation all television (including, without limitation, digitized television), motion picture, literary, dramatic, musical, stage play, theme park, publishing, merchandising, recording, mechanical, radio, videocassette and video and laser disc, video and computer games, internet, any computer-assisted media (including without limitation CD-ROM, CD-I and similar disc systems, interactive media and multimedia and other devices and/or methods now existing or hereafter devised), and all allied, ancillary and subsidiary rights and uses thereof, with the right to make all uses and disposition of the Material by any and all means and in any and all media and in any and all versions (including without limitation digitized versions) now known or hereafter devised, throughout the universe and to make all changes in the Material as Producer deems necessary or desirable.

I hereby assign to Producer in perpetuity all rental and lending rights under national laws (whether implemented pursuant to the EC Rental and Lending Rights Directive or otherwise) to which I may now be or hereafter become entitled with respect to the Material. I hereby waive all rights of "Droit Morale" or "Moral Rights of Authors" or any similar rights or principles of law which I may now or later have in the Material. I warrant and represent that I have the right to execute this document and that the Material does not and shall not, to the best of my knowledge, defame, or disparage any person or entity or infringe upon or violate the rights of privacy, publicity or any other rights of any kind or nature whatsoever of any person or entity, and that to the best of my knowledge, the Material is not the subject of any litigation or of any claim that might give rise to litigation. I shall indemnify and hold harmless Producer, the corporations comprising Producer, its and their employees, officers, agents, assigns and licensees from and against any and all liability, claims, costs, damages, and expenses (including reasonable attorneys’ fees and court costs, whether or not in connection with litigation) arising out of any breach or alleged breach of my representations, warranties and agreements hereunder or under this Agreement. Producer shall indemnify the undersigned, and hold the undersigned harmless from and against any and all liability, claims, costs, damages, and expenses (including reasonable attorneys’ fees) arising out of, resulting from, based upon or incurred because of materials specifically furnished by Producer for use by me hereunder.

To the extent the Material or any portion thereof may ever be determined not to be a "work-for-hire," I hereby irrevocably and exclusively assign and/or grant to Producer all right, title and interest thereto (including without limitation all of the rights described in this certificate). I agree to execute any documents and do any other acts as may be reasonably required by Producer or its assignees or licensees to further evidence or effectuate Producer's rights as set forth in this Agreement. Upon my failure promptly to do so within three (3) business days following receipt thereof, I hereby appoint Producer as my attorney-in-fact for such purposes (it being acknowledged that such appointment is irrevocable and coupled with an interest) with full power of substitution and delegation.

TITLE/Agreements
Post Production Deal –8-3-04
All rights granted or agreed to be granted to Producer under this Agreement will vest in Producer immediately and irrevocably and will remain perpetually vested in Producer, its successors or assigns. I further acknowledge that (i) in the event of any breach by Producer hereunder, I will be limited to my remedy at law for damages, if any, and will not have the right to terminate or rescind this Agreement or any of the rights granted hereunder, or to enjoin the development, production, distribution, advertising or exploitation of the Project, or the Material (or any portion thereof), (ii) nothing herein shall obligate Producer to use my services or the results or proceeds thereof in the Project or to produce, advertise or distribute the Project, and (iii) this Agreement shall be governed by the laws of the State of California applicable to agreements executed and to be performed entirely therein.

I agree to keep and retain in the strictest confidence all information and materials disclosed to or obtained by me concerning or relating to the Project, including without limitation, matters involving the script, personnel, cast, crew, budgets, production locations, business affairs of Producer, and any other information or material relating to Producer and/or the Project (collectively, "Confidential Information"). I shall not at any time directly or indirectly, in any way, reveal, report, publish, disclose, transfer or otherwise use any of the Confidential Information without the express prior written consent of Producer. Upon request of Producer, I will promptly deliver to Producer all materials, including any copies or reproductions, in my possession containing any Confidential Information and all other property either belonging to Producer or containing Confidential Information. I understand and agree that Producer solely will control issuance of all publicity, press releases and press conferences related to the Project. I agree not to participate in any publicity, press releases, press conferences or speak with the press in any respect in connection with the Project without the express consent of Producer.

Producer's rights with respect to the Material and/or my services may be freely assigned and licensed, and shall be binding upon me and inure to the benefit of any such assignee or licensee. This Agreement shall be binding upon me, my heirs, executors, administrators, licensees, associates, affiliates, legal representatives, successors and assigns. This Agreement constitutes the entire understanding and agreement with respect to the subject matter hereof and cannot be amended except by a written instrument signed by the parties hereto. The provisions of this Agreement shall survive the expiration or termination of my services and my work in connection with the Project.

All credit provisions herein, if any, are for credit issued by/under the control of Producer and are subject to customary distributors'/exhibitors' exclusions and exceptions. All other matters with respect to my credit shall be determined by Producer in its' sole discretion. No casual or inadvertent failure to comply with the credit provisions herein, if any, nor any failure by third parties to comply with their agreements with Producer shall constitute a breach of this Agreement by Producer.

My rights and remedies in the event of any breach by Producer of this Agreement or any of Producer's obligations hereunder shall be limited to my right to recover damages, if any, in action at law, and I hereby waive any right or remedy in equity, including without limitation any right to terminate or rescind this Agreement or Producer's ownership of the Picture or the Material or any other right granted to Producer hereunder and/or to seek injunctive or other equitable relief with respect to any breach of Producer's obligations hereunder and/or to enjoin or restrain or otherwise impair in any manner the production, distribution, exhibition or other exploitation of the Picture, or any parts or elements thereof, or the use, publication or dissemination of any advertising in connection therewith.

Producer shall be free to assign this Agreement and its rights hereunder, and to delegate its duties, obligations and liabilities hereunder, at any time and from time to time, in whole or in part, to any person or entity and upon such assignment Producer shall be released and discharged of and from any and all of its duties, obligations and liabilities hereunder. I may not assign this Agreement or my rights hereunder, or delegate my duties under this Agreement in whole or in part.

I shall duly execute, acknowledge and deliver to Producer or cause to be executed, acknowledged and delivered to Producer, any and all assignments or instruments which Producer may deem necessary to carry out and effectuate the purposes and intent of this Agreement, including, without limitation, separate assignments of any rights granted by me in this Agreement. In the event I fail to execute any such instrument within three (3) business days after Producer’s request
therefore, unless a shorter period of time is reasonably required by Producer, I hereby irrevocably appoint Producer as my attorney-in-fact, which appointment shall be deemed a power coupled with an interest, with full rights of substitution and delegation, to execute, acknowledge and deliver any such instruments in my name and on my behalf.

Without limiting the foregoing, any provision of this Agreement which is invalid, illegal or unenforceable in any jurisdiction will, as to that jurisdiction, be ineffective only to the extent of such invalidity, illegality or unenforceability, without affecting in any way the remaining provisions hereof in such jurisdiction or rendering that or any other provision of this Agreement invalid, illegal or unenforceable in any other jurisdiction.

I hereby acknowledge and certify that I have read and understand this Agreement and that I agree to abide by the terms of this Agreement.

Dated as of ___________

________________________________________________________
POST PROD. REPRESENTATIVE
DATE
COMPANY FORMED FOR FILM, LLC

The following, when executed by you and by us, constitutes our agreement. We cannot commence any service on your behalf until you have signed below and returned a copy of this letter to us.

1. Union Contracts
   a. We honor the union collective bargaining agreement with respect to movie productions of Screen Actors Guild ("SAG") (referred to as the “Code”). Unless as otherwise provided in paragraph 1.b. hereof, you acknowledge that you are signatory to the Code identified on the last page of this agreement and otherwise meet all requirements of the Code you have designated and will abide by the rules and regulations of such Code. In the event we provide services with respect to any other unions(s), you and we further agree to abide by the rules and regulations of such other unions(s) to the extent one of us is a signatory to the collective bargaining agreements of any such unions(s).
   b. Notwithstanding the provisions of paragraph 1.a. hereof, in the event you are not or fail to remain a signatory of the SAG Code, in the event of termination of this agreement either by its terms or for any other reason, you hereby agree that all movie productions produced by you for which we have provided services hereunder are subject to the SAG Code ("Covered Movie Production"). In that connection and solely with respect to the Covered Movie Production, you agree expressly for the benefit of SAG and their members affected thereby to make all payments as provided in said Code and all Social Security, withholding, unemployment insurance and disability insurance payments and all appropriate contributions to the SAG Pension and Health Plans required under the provisions of said Code with respect to any and all such payments and to comply with the provisions of said Code, including specifically the arbitration provisions and procedures contained therein, with respect to the performance of such Covered Movie Productions and required records and reports. It is expressly understood and agreed that your right to the performance of Covered Movie Productions shall be subject to and conditioned upon the prompt payment to the actors involved of all compensation as provided in said Code. SAG on behalf of the actors involved, shall be entitled to injunctive relief in the event such payments are not made. You further agree to indemnify and hold us harmless in the event SAG should proceed against us on account of your failure to so abide by the terms and conditions of the Code.

2. We agree to furnish the following services for you during the term of this agreement:
   a. We will make all payments, where required by the Code, owing to all actors for your Covered Movie Productions and issue individual checks to each actor, itemizing each payment in detail and making all proper deductions and payments.
   b. We will make all pension and health payments required by the Code.
   c. We will file all applicable payroll reports for all payments to government agencies and unions, and we will pay all required payroll taxes and all workmen’s compensation, unemployment and sickness insurance payments.
   d. We will furnish you with itemized invoices for all fees and payments made by us and all expenses incurred by us.
   e. We will also handle routine actors and union inquiries. No commitments on your behalf will be made by us to such actors or unions without your prior approval.

3. You agree to supply us with completed reports, in a form agreed upon, and in the event you shall fail to complete and submit such forms to us on a timely basis, we cannot be responsible for the timeliness or accuracy of any payments or services provided by us hereunder which require information included in such reports.

4. We will assume all responsibility for the accuracy of the payments made by us in accordance with your reports and will indemnify and hold you harmless with respect to any claims or actions, whether from actors, unions, government agencies or others, relating to the failure by us to make the payments required hereunder or to timely make such payments; or to maintain, transmit or file the appropriate information; or to timely transmit or file the same; all provided that you submit to us the accurate and timely information as required in this agreement. Notwithstanding the foregoing, you will reimburse us for payments made to correct miscalculations, which result in underpayment to actors, provided that your total cost will not exceed the amount that would have otherwise been due on an accurate calculation. You agree to indemnify and hold us harmless with respect to any claims asserted, or actions instituted, against us by or on behalf of any actor employed or retained hereunder, or
by the labor organizations representing such actors, based on your alleged failure to comply with the applicable collective bargaining agreement.

5. No actor commitments of any nature will be made by us on your behalf without your specific consent.

6. Compensation
   a. As compensation for our services, we will be entitled to a commission of 4 percent or a minimum of $100 per invoice of all wages made by us.

   b. You shall reimburse us at cost for reasonable out-of-pocket expenses that are actual and verifiable, such as long distance telephone calls and local messenger services incurred by us in the performance of this agreement. It is understood that any costs over $100 would first need to have the approval of Marvin V. NexTV at your office. Additionally, Netpay will provide documentation substantiating these expenses.

7. Reports
   a. You will be responsible to submit to us an accurate Session/Shooting Report (including W-4 and I-9 forms (Pursuant to P.14) and employment contracts, if applicable) immediately following said Session/Shooting.

   b. You will pay our invoices so that we shall receive checks in full, inclusive of our compensation pursuant to Paragraph 6.a hereof, upon your receipt of our invoices. You will assume responsibility for any late penalties due to your failure to comply with Paragraph 7.a. We will not be held responsible for making actors payments unless we have received payment in full from you of our invoices. If payment is delinquent, in whole or in part, including our compensation pursuant to Paragraph 6.a, we shall notify you in writing and if said delinquency is not cured within five (5) business days, we shall have the right to immediately terminate this agreement. In the event of such termination, you shall assume full responsibility for any actors or payments of Code requirements and agree to indemnify and hold us harmless in connection therewith.

8. Workmen’s Compensation
   a. We will provide and assume full responsibility for all workmen’s compensation coverage to all actors who are payrolled by us under this agreement.

9. In the event that there shall be any dispute with any actor hired by you, or the actor’s representatives, or union to which the actor belongs, we will promptly inform you thereof, and you shall determine in what manner to proceed and whether to settle, arbitrate or otherwise dispose of such matters, all at your cost and expense. In the event such dispute shall arise from a failure by us to perform our obligations hereunder, any such settlement, negotiation, arbitration or other proceedings shall be at our cost and expense, provided, however, that your directions to us, your proposed procedure and disposition, and the costs and expenses incurred shall be reasonable. In any event, we shall keep each other informed of the details and progress of any dispute and shall be paid in same at the full amounts indicated in each invoice.

10. Other than as provided in paragraph 7.b hereof, in the event of a breach of any of the provisions contained herein, either party may cancel this agreement by notifying the other party of said breach in writing, provided said breach is not cured within fifteen (15) days. All indemnifications provided shall apply to all costs incurred by the indemnified party, including Code penalties, actors payments, and counsel fees.

11. The term of this agreement will be an indefinite period commencing on the date this agreement is executed and will continue until terminated either by you or by us with at least 90 days’ written notice of termination. Upon termination of this agreement, we will forward to you all books and records, including contracts, relating to your account. Neither the expiration not termination of this agreement shall relieve you from reimbursing us in full for any payments made by us to or on behalf of any person payrolled by us for your benefit including, but not limited to, gross wages, allowances, and all applicable union Pension and Health Fund payments, payroll taxes, and our compensation required on such payments pursuant to paragraph 6.a hereof.

12. This agreement comprises the entire agreement of the parties and there are no other agreements or understandings, written or oral, between the parties relating to this agreement. Any amendment to this agreement must be in writing and signed by both parties.

13. For purposes of immigration laws only, we shall be regarded as the employer of record for income tax and FICA withholding purposes only. You shall be responsible for completion of such forms as are required by the immigration laws of the United States, including form I-9’s, and will indemnify and hold us harmless in connection therewith. We will provide you with
reasonable assistance in connection with any such Form requirements, but cannot assume responsibility since you or your agents are actually auditioning and casting actors.

14. You agree to assume responsibility for any unauthorized use, including violations of performer’s rights of privacy or publicity, unless such authorized use is a result of our negligence or other breach of this agreement.

15. This agreement shall be construed in accordance with the laws of the State of California for contracts wholly performed therein, without regard to conflict of law principals. Venue and jurisdiction of all controversies between you and us shall be within the state and federal courts in the State of California.

If the above accords with your understanding and agreement, kindly indicate your consent hereto by signing in the place provided below.

Very truly yours,
NETPAY INCORPORATED

By:______________________________

ACCEPTED AND AGREED:

___________________________________________
Company Name

By:______________________________
Signature of Officer

___________________________________________
Print Name

___________________________________________
Title

Dated:______________________________

BANK REFERENCES
Bank name and address:
____________________________________________
____________________________________________
Name of bank representative:
____________________________________________

Bank account number:
____________________________________________

Bank phone number:
____________________________________________

SIGNATORY STATUS YES/NO
SAG________________________