

MARYE POPPIN PRODUCTIONS, LLC

OPTION AND PURCHASE AGREEMENT

(COMPLETED SCRIPT)

THIS AGREEMENT, effective as of _____, ____, is made by and between _____ [name of producer] (“Producer”) whose address is [PHYSICAL ADDRESS] and _____ [name of owner] (the “Writer”) whose address is [PHYSICAL ADDRESS], concerning the rights to a script entitled “_____” and the materials upon which it is based. The following terms and conditions shall apply:

1. DEFINITION OF “WORK”: For purposes of this Agreement, “Work” means the motion picture script entitled “_____” written by _____ and any and all other literary materials, titles, themes, formats, formulas, incidents, action, story, dialogue, ideas, plots, phrases, slogans, catchwords, art, designs, compositions, sketches, drawings, characters, characterizations, names and trademarks now contained therein, as well as such elements as may at any time hereafter be added or incorporated therein, and all versions thereof in any form.

2. GRANT OF OPTION: In consideration of the mutual promises contained herein, and the payment to Writer of \$_____ (the “Option Price”), which shall be applicable against the total Purchase Price, Writer hereby grants to Producer the exclusive, irrevocable right and option (the “Option”) for _____ months (the “Option Period”) to acquire the exclusive motion picture, television, DVD, Internet, and all subsidiary, allied and ancillary rights in and to the Work pursuant to the terms set forth below.

3. EXTENSION OF OPTION:

- (a) Producer shall have the right to extend the Option Period for one (1) period of twelve (12) months for \$_____ non-applicable. For the right to the extension of the first Option Period there must be one of the following:
 - (i) letter of commitment to direct from an established director;
 - (ii) the project is set up at a company, major studio or mini-major studio able to fund the project;
 - (iii) substantial negotiations in progress for complete financing of the film; or
 - (iv) letter of commitment to act in the film from one star.
- (b) Producer shall have the right to extend the Option Period for one (1) additional twelve (12) month period for \$_____ non-applicable. In order to have a right to a second extension, Producer must secure at least two (2) of the above four (4) items.

4. EXERCISE OF OPTION: Producer may exercise this Option at any time during the Option Period, as it may be extended, by giving written notice of such exercise to Writer and delivery to Writer of the minimum Purchase Price as set forth below. In the event Producer does not exercise said Option during the period as it may be extended, this Agreement shall be of no further force or effect whatsoever. All rights granted hereunder become property of Writer. Upon exercise of the Option, the date of exercise shall be inserted in the blank space provided in the short form copyright assignment, attached hereto as Exhibit A. Exhibit A shall be and will become a binding agreement between the parties hereto without any further execution or delivery. In the event Producer does not exercise said Option within the time and in the manner herein set forth herein, Exhibit A shall be of no further force or effect whatsoever.

5. PENDING EXERCISE OF OPTION: Producer shall have the right to engage in all customary development and preproduction activities during the option period as it may be extended, including the right to revise the work.

6. GRANT OF RIGHTS: Effective upon Producer's exercise of the Option, Writer hereby exclusively sells, grants and assigns to Producer, Producer's successors, licenses and assigns all rights in and to the Work not reserved by Writer, throughout the universe, in perpetuity, in any and all media and by any means now known or hereafter devised, including, without limitation, all forms of theatrical and non-theatrical distribution and exhibition (including without limitation, free broadcast, pay television, cable, subscription, pay-per-view, video-on-demand, DVD and Internet), including without limitation the following: all motion picture rights, including the right to make remakes, new versions or adaptations of the Work or any part thereof; to make series and serials of the Work or any part thereof; the right, for advertising and publicity purposes only, to prepare, broadcast, exhibit and publish in any form or media, any synopses, excerpts, novelizations, serializations, dramatizations, summaries and stories of the Work, or any part thereof; and all rights of every kind and character whatsoever in and to the Work and all the characters and elements contained therein.

7. PURCHASE PRICE: As complete consideration for all services to be performed by Writer hereunder, for all rights herein granted, and all representations and warranties made, Producer agrees to pay Writer two-and-one-half percent (2.5%) of the final locked budget for the motion picture based on the Work (less contingencies, financing, interest, and bond fees) with a floor of \$_____ and a ceiling of \$_____, if Writer receives sole credit; reducible to one-and-one-quarter percent (1.25%) if Writer receives shared credit, which a floor of \$_____ and a ceiling of \$_____. Such amount shall be paid no later than the commencement of principal photography of the production.

8. ADDITIONAL COMPENSATION:

- (a) Contingent Compensation: Producer also agrees to pay five percent (5%) of one hundred percent (100%) of the Producer's share of net proceeds if Writer receives sole credit; reducible to two and a half percent (2.5%) if Writer receives shared credit. "Net Proceeds" shall be defined, accounted for and paid in the same manner for Writer as for Producer, whether Producer's contingent compensation is called Net Profits, Adjusted Gross Profits or otherwise.

- (b) Bonus Compensation: Producer shall pay Writer \$_____ in addition to any other money due Writer under this agreement upon the happening of the following:
_____.

9. CREDITS:

- (a) In the event a motion picture based substantially on the Work is produced hereunder, Writer shall receive credit in the following form:

Written by _____

unless the credit guidelines of Writers Guild of America would produce another result, in which case the credit will be determined according to those guidelines.

- (b) Such credit shall be accorded on a single card in the main titles on all positive prints of the picture and in all paid advertising in which the director has received credit, subject to Producer's and any distributor's usual and customary exclusions. All other matters regarding prominence, placement, size, style and color of said credits shall be in Producer's sole discretion. Nothing herein shall be construed to prevent so-called award or congratulatory or other similar advertising with respect to the material or Picture which omits the name of the Writer.
- (c) No casual or inadvertent failure of Producer to comply with the credit provisions hereof shall be deemed a breach of this Agreement. Within a reasonable time after receipt of written notice from Writer specifying a failure to accord proper credit in accordance with this Paragraph, Producer shall use good faith efforts to cure prospectively any such failure with regard to positive prints and/or advertising materials created after the date of Producer's receipt of such notice. Producer will contractually obligate third party licensees and sub-distributors with whom Producer is in privity of contract to comply with the credit obligations set forth herein, but shall not be responsible or liable to Writer for the failure of any such third party to comply with the same.

10. REMEDIES: Writer recognizes and confirms that in the event of a failure or omission by Producer constituting a breach of its obligations under this Agreement, whether or not material, the damage, if any, caused Writer is not irreparable or sufficient to entitle Writer to injunctive or other equitable relief. Consequently, Writer's rights and remedies shall be limited to the right, if any, to obtain damages at law and Writer shall not have any right in such event to terminate or rescind this Agreement or any of the rights granted to Producer hereunder or to enjoin or restrain the development, production, advertising, promotion, distribution, exhibition or exploitation of the Picture and/or any of Producer's rights pursuant to this Agreement.

11. REPRESENTATIONS AND WARRANTIES:

- (a) The Work itself is original with Owner and no part of the Work is in the public

domain other than the extent to which historical facts are, by their nature, in the public domain;

- (b) Owner has the right, authority and legal capacity to grant the rights granted to Producer herein;
- (c) The work is not subject to any claim, arbitration, mediation, or litigation.
- (d) The Work does not, and no use thereof will, infringe upon or violate any personal, proprietary or other right of any third party, including, without limitation, defamation, libel, slander or violation of any right of privacy or publicity or any copyright in underlying material; and
- (e) Owner shall not exploit the Work in a manner inconsistent with the terms of this Agreement, specifically, to not sell, license, exploit or transfer any rights in the Work.

12. MISCELLANEOUS:

- (a) **Arbitration.** Disputes under this Agreement shall be settled pursuant to binding arbitration under the rules of the Independent Film and Television Alliance (“IFTA”) in [STATE]. The prevailing party will be entitled to reasonable attorney fees and costs.
- (b) **Indemnification.** Writer shall indemnify and defend Producer from and against any and all claims and damages arising from the breach of any representation or warranty of Writer hereunder to the extent such claim or damage does not arise out of a breach by Producer hereunder. Producer shall indemnify and defend Writer from and against any and all claims and damages arising from the production, distribution, exhibition or exploitation of the Picture, or any element thereof, to the extent such claim or damage does not arise out of a breach by Writer hereunder.
- (c) **Accounting.** Producer agrees to keep and maintain complete and accurate books and records relating to the Picture and the proceeds derived therefrom.
- (d) **Assignment.** Writer may not assign its rights or obligations hereunder. Producer may freely assign its rights and obligations hereunder.
- (e) **Choice of Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of [STATE].
- (f) **Notices.** All notices under this Agreement shall be in writing addressed to the addresses first set forth above, or at such other address as either party may designate from time to time by written notice to the other. All notices shall be served by facsimile and U.S. mail, electronic mail, recognized courier services such as Federal Express or DHL or personal delivery addressed as specified above. The date of receipt by facsimile, electronic mail or courier, as the case may be, shall be

the date of service of notice.

- (g) Employment Eligibility. In accordance with the Immigration Reform and Control Act of 1986, any offer of employment contained herein is conditioned upon satisfactory proof of Writer's identity and United States employment eligibility. Writer must present required documentation within ten (10) days of acceptance of this offer. Failure to comply will result in termination of employment.
- (h) This agreement may be signed in counterparts. Facsimile and scanned copies shall be deemed originals for all purposes.
- (i) Further Documents. Writer agrees to execute, acknowledge, and deliver to Producer and to procure the execution, acknowledgment, and delivery to Producer of any additional documents or instruments which Producer may reasonably require to effectuate fully and carry out the intent and purposes of this Agreement. If Writer shall fail to execute and deliver any such documents or other instruments, within ten (10) calendar days after such documents are delivered to Writer, Producer shall be deemed to be, and Writer irrevocably appoints Producer, the true and lawful attorney-in-fact of Writer, to execute and deliver any and all such documents and other instruments in the name of Writer, which right is coupled with an interest.
- (j) This Agreement constitutes the entire agreement between the parties hereto with respect to all of the matters herein and its execution has not been induced by, nor do any of the parties hereto rely upon or regard as material, any representations or writing whatsoever not incorporated herein and made a part hereof. No amendment or modification hereto shall be valid unless set forth in a writing signed by both parties.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be duly executed and delivered as of the day and year first above written.

PRODUCER

WRITER

By:_____

SSN:_____

Its: Managing Member

EXHIBIT A

ASSIGNMENT (Short Form)

FOR good and valuable consideration, receipt of which is hereby acknowledged, the undersigned Writer does hereby sell, grant, assign and set over unto _____ (hereinafter referred to as "Producer"), and Producer's heirs, successors, licensees and assigns, forever, the sole and exclusive motion picture rights, television motion picture and other television rights, DVD and Internet rights and all subsidiary, allied and ancillary rights, including merchandising rights and limited publication rights, for advertising and exploitation purposes only, throughout the universe in perpetuity, in and to the script (e.g., original literary/musical) described as follows:

Title: " _____ "

By: _____

including all contents thereof, all present and future adaptations and versions thereof, and the theme, title and characters thereof. The undersigned and Producer have entered into a formal option and purchase agreement dated _____, 20__, relating to the transfer and assignment of the foregoing rights in and to said Work, which rights are more fully described in said Option and Purchase Agreement. This Assignment is expressly made subject to all of the terms and conditions of said Agreement.

IN WITNESS WHEREOF, the undersigned has executed this assignment on _____, 20__.

WRITER: _____