

MARYE POPPIN PRODUCTIONS, LLC

DIRECTOR'S AGREEMENT

THIS AGREEMENT, effective as of _____, 20__ is made by and between [YOUR NAME/COMPANY] ("Producer") whose address is [PHYSICAL ADDRESS] and [DIRECTOR'S LOAN-OUT CORPORATION] ("Lender") f/s/o [DIRECTOR] ("Director") whose address is [PHYSICAL ADDRESS] with respect to Director's services on the feature-length motion picture currently entitled, " _____ " (the "Picture").

1. CONDITIONS PRECEDENT:

- (a) **Execution of Agreement.** Producer's receipt of fully-executed copies of this Agreement by Lender and Director;
- (b) **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 Director's identity and United States employment eligibility. Lender must present required documentation within ten (10) days of acceptance of this offer. Failure to comply with this section will result in termination of employment;
- (c) **Insurance.** Director's ability to qualify for all insurance Producer deems necessary for the Picture (e.g., life, health, accident and/or cast insurance) at customary rates and subject only to customary exclusions and deductible amounts (if any);
- (d) **Completion Guarantor Approval.** The completion guarantor of the Picture ("Guarantor") having approved the terms and conditions of Director's services as director of the Picture, and execution by Director of an inducement letter and/or side letter with Guarantor as Guarantor may require ("Guarantor Inducement Letter");
- (e) **Budget, Screenplay, Schedule, Cast.** Approval by Producer and the Completion Guarantor of the following: (i) an "all-in" budget for the Picture including without limitation bond fee, contingency, interest, premiums and financing charges ("Approved Budget"), (ii) the screenplay, (iii) the production schedule and post production schedules for the Picture; and (iv) the principal cast;
- (f) **Setting Picture for Production.** Producer electing to set the Picture for production. For purposes of the foregoing, Producer shall be deemed to have set the Picture for production when all of the Conditions Precedent in this paragraph have been satisfied and additionally, (i) when the Picture is fully financed, (ii) Producer has set a firm start date for the commencement of principal photography of the Picture, (iii) the long form actor agreements for lead actors have been signed and approved of by Producer and each of such actors;

- (g) **Approval of Shooting Schedule for Picture.** Director and Lender's approval of the shooting schedule in writing for the Picture—it being agreed by Lender and Producer that Producer shall have final control of the shooting schedule of the Picture if Director and Producer cannot agree on the shooting schedule for the Picture.

2. SERVICES:

- (a) **Development Services.** Lender shall cause Director to render such development services in connection with the Picture as are customarily rendered by directors of first-class feature length motion pictures and as Producer may require, including without limitation the supervision of the development of the screenplay for the Picture. Such development services shall be rendered by Director on a non-exclusive, first priority basis.
- (b) **Production Services.** Lender shall cause Director to render all such services in connection with the pre-production, photography and post-production of the Picture as are required by the Producer and customarily rendered by directors of first-class feature length motion pictures, and Director shall comply with all reasonable directions and requests of Producer in connection therewith, whether or not the same involve matters of artistic taste or judgment. Such production services shall be rendered by Director on an exclusive basis.
- (c) **Schedule/Term.** Director shall commence directing services hereunder on a date to be designated by Producer, which date may be eight (8) weeks prior to the scheduled start date for principal photography of the Picture, and Director shall continue to render such services on an exclusive basis until the delivery of the "Director's Cut" (as defined in paragraph 14(b) below) of the Picture to Producer and thereafter, on a non-exclusive, first priority basis until delivery of completed answer print to Producer, unless terminated earlier pursuant to the terms of this Agreement.

3. COMPENSATION: Subject to: (i) the Conditions Precedent being fulfilled to the satisfaction of Producer, (ii) the Picture being produced, (iii) Lender nor Director being in material breach of any representation, warranty or agreement of this Agreement, and (iv) the lead actors being engaged to render acting services, Producer shall pay to Lender the following compensation ("Fixed Compensation"):

- (a) **Fixed Compensation.** A total fixed compensation of __ percent of the Approved Budget (excluding overhead, contingency, executive producing fees, bond, legal, interest and financing) payable as follows:
 - (i) Twenty percent (20%) thereof in consecutive equal weekly installments over the schedule period of pre-production of the Picture.
 - (ii) Sixty percent (60%) thereof in consecutive equal weekly installments over the scheduled period of principal photography of the Picture.

- (iii) Ten percent (10%) thereof upon Director's completion and delivery to Producer of the Director's Cut of the Picture.
- (iv) Ten percent (10%) thereof upon completion and delivery to Producer of the answer print of the Picture.
- (b) **Contingent Compensation.** Lender shall be paid an amount equal to: (i) five percent (5%) of one-hundred percent (100%) of Producer's Net Proceeds (collectively, "Director's Participation"). Director's Participation shall be applied against any residuals due Director pursuant to the terms of the DGA Basic Agreement and vice versa. "Net Proceeds" as used herein shall mean all money received or credited to Producer from the exploitation of the Picture less (i) Producer's out-of-pocket distribution expenses in connection with the Picture, including without limitation all third party participations and residuals and (ii) the Approved Budget of the Picture.
- (c) **Box Office Bonuses.** Lender shall be entitled to receive the following box office bonuses payable to Lender within ninety (90) days following the initial publication of such worldwide theatrical box office gross receipts level and DVD sales combined as reported in *Daily Variety* ("Sales"):
 - (i) _____ dollars (\$_____) when the Picture reaches Sales in an amount equal to two and a half (2.5) times the Approved Budget;
 - (ii) _____ dollars (\$_____) when the Picture reaches Sales in an amount equal to three and a half times (3.5) times the Approved Budget; and
 - (iii) _____ dollars (\$_____) when the Picture reaches Sales in an amount equal to four (4) times the Approved Budget.

4. CREDIT: Provided that neither Lender nor Director are in material, uncured breach of this Agreement, Director shall receive a credit on a single card in the main title credits (whether at the beginning or end of the Picture). Such credit shall be in accordance with and subject to the requirements contained in the DGA Basic Agreement, substantially as follows:

"Directed by [DIRECTOR]"

- (a) Director's credit shall appear in all positive prints of the Picture and all paid advertisements (subject to standard exclusions), with size, color, boldness and duration comparable to that of the writer's credit.
- (b) All other aspects of credit and all other credits shall be at the sole discretion of Producer.
- (c) No casual or inadvertent failure of Producer to comply with the credit provisions hereof shall constitute a breach of this Agreement. Within a reasonable

time after receipt of written notice from Lender 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 Lender or Director for the failure of any such third party to comply with the same.

5. TRANSPORTATION/ACCOMMODATIONS: Producer shall provide all necessary transportation and accommodations for Director in connection with the Picture as needed throughout pre-production, production and post-production. Specifically, Producer shall provide Director with _____.

6. FESTIVALS/PREMIERES: Producer shall invite Director and a guest to all premieres and film festivals in connection with the Picture. Director and his guest's transportation and accommodations for such premieres and festivals shall be on a most-favored nations basis with any individual Producer. Additionally, Lender shall be reimbursed for all reasonable documented expenses upon receipt of such documentation.

7. APPROVALS AND CONTROLS:

- (a) Producer shall solely have all approvals and controls of all kinds and nature, with respect to the Picture, including, but not limited to, all decisions involving artistic taste and judgment. Notwithstanding, Producer shall meaningfully consult with Director on all material creative elements of the Picture, including the hiring of talent and key crew members.
- (b) **Director's Cut.** Director shall be entitled to make one (1) cut of the Picture (the "Director's Cut") as required pursuant to the DGA Basic Agreement. Director's right to prepare the Director's Cut shall be conditioned upon (a) Director not being in material default of the Agreement; and (b) Director preparing and delivering the Director's Cut in conformance with the requirements set forth in this Paragraph.
 - (i) The choice of editing location shall be at Producer's sole discretion.
 - (ii) Director shall deliver to Producer the Director's Cut of the Picture no later than eight (8) weeks after the completion of principal photography. The Picture, as delivered, shall (i) strictly adhere to the final approved shooting script (subject to such minor changes required by the exigencies of production and as approved by Producer), (ii) be no less than ninety (90) minutes and no more than one hundred twenty (120) minutes in length (including main and end titles), (iii) be in color in a standard thirty-five millimeter (35mm) format, and (iv) qualify with the Motion Picture Association of America ("MPAA") for a rating no more restrictive than "R," unless Producer agrees in writing to a more

restrictive rating.

- (iii) Nothing in the foregoing or elsewhere in this Agreement shall in any way limit Producer's absolute and final cutting authority with respect to the Picture or to otherwise modify, edit, add to and delete from the Picture at any time as Producer may determine in its sole discretion.

8. REPRESENTATIONS AND WARRANTIES:

- (a) **Free to Enter into Agreement.** Lender and Director represent and warrant that Director is free to enter into this Agreement and will not do or permit any act which will interfere with or derogate from the full performance of Director's services or Producer's exercise of the rights herein granted.
- (b) **Director's Material.** Lender and Director represent and warrant that with respect to any material supplied by Director hereunder, such material shall be wholly original and shall not infringe upon or violate the copyright, literary, dramatic or photoplay rights, the right of privacy or publicity of any person or entity, nor defame any person or entity, nor shall it be based in whole or in part on the life of any real person except as approved in writing by Producer, nor be the subject of any litigation or any claim that might give rise to litigation.
- (c) **Guild.** Director represents that he is currently a member of the Director's Guild of America ("DGA") and Producer is a signatory thereto.

9. WORK-MADE-FOR-HIRE:

- (a) Lender and Director hereby acknowledge that all of the results and proceeds of Director's services produced for the Picture hereunder shall constitute a "work-made-for-hire" specially commissioned by Producer, and Producer or Producer's assignee shall own all such results and proceeds. Producer may make such use of the Picture and distribution of the Picture as Producer, in its sole discretion, shall deem appropriate.
- (b) If Director's services are not recognized as a "work-made-for-hire," Lender and Director hereby irrevocably grant, sell and assign to Producer, its successors and assigns, all of Director's rights, title and interest of any kind and nature, in and to the Picture, including, without limitation, all copyrights in connection therewith and all tangible and intangible properties with respect to the Picture, in perpetuity, whether in existence now or as may come into existence in the future.
- (c) Director waives the exercise of any "moral rights" and "droit moral" and any analogous rights however denominated now or hereafter recognized. All rights granted and agreed to be granted to Producer hereunder are irrevocable and shall vest and remain perpetually vested in Producer, its successors and assigns, whether this Agreement expires in normal course or is sooner terminated, and shall not be subject to rescission by Director for any cause whatsoever.

10. NAME AND LIKENESS. Lender hereby grants Producer the right to use Director's name, likeness and/or biography in connection with the production, distribution, exhibition, advertising, promotion and other exploitation of the Picture and all subsidiary and ancillary rights therein, including without limitation, soundtrack albums, publications, merchandising and commercial tie-ups (but not as an endorsement of any product or service); provided that in no event will Director be depicted as using or endorsing any product, commodity or service without Director's prior consent. Promptly following the execution hereof, Lender shall furnish Producer with a short-form biography and a long-form biography of Director, which Producer may reasonably edit.

11. CONTINGENCIES: Producer shall have the right to suspend or delay the Term during all periods in which Lender or Director is in breach of this Agreement; Lender or Director is prevented from or fails, refuses or neglects to fully perform Director's Services; or the development, production or distribution of the Picture is prevented by a "Force Majeure" event, by the death, illness, disability or incapacity of a principal cast member, producer or director of photography of the Picture.

- (a) Director's services shall only be suspended or delayed due to a Force Majeure event if the services of all others working on the Picture are also suspended or delayed. Producer shall have no right to engage in selective suspension.
- (b) In the event Director's services are suspended or delayed due to a Force Majeure event, Director shall have the right to work for third parties during such period so long as any such services do not interfere with production of the Picture and Director shall be available to recommence his services immediately upon written notice of reinstatement.
- (c) Producer shall be entitled to suspend or delay production no more often than once per each Force Majeure event.

12. TERMINATION: Producer shall have the right to terminate this Agreement, effective immediately, if one of the following occurs:

- (a) Director fails to fully perform Director's Services or fails to cure a material breach of this Agreement within forty-eight (48) hours of receipt of written notice of same;
- (b) Death, illness, disability or incapacity of a principal cast member, Director, producer or director of photography of the Picture, which exceeds ten (10) days; or
- (c) A Force Majeure event which exceeds six (6) weeks, reduced to three (3) weeks during principal photography, in which event, Director shall also have the right to terminate this Agreement.

13. MATERIAL BREACH: The parties acknowledge and agree that in addition to other material terms of this Agreement, delivery of the Picture on time and on budget (according to the schedule and Approved Budget that will be provided to Director prior to commencement of official pre-production) are material elements of this Agreement and failure to deliver the Picture on time and on budget, except to the extent such delay or overage is caused or approved in writing by Producer, is the result of a Force Majeure event, third party breach or lab delays, unless any of the previously listed events are caused

by Director, shall constitute a material breach hereof.

14. INSURANCE: Producer shall add Director to Producer's Errors and Omissions and General Liability insurance policies as an insured in connection with the Picture, as necessary. Producer shall cover Director under worker's compensation policies during the period of Director's services. Director acknowledges that his, his successors' and his heirs', sole remedy for injuries occurring while working on the Picture shall be limited to making a claim under Producer's worker's compensation insurance policy.

15. UNIQUE SERVICES: Except as specifically provided to the contrary hereinabove, Director's services shall be rendered exclusively to Producer, or Producer's assignee, until expiration of this Agreement, it being mutually understood and agreed that Director's services are extraordinary, unique and not replaceable, and that there is no adequate remedy at law for any breach of this Agreement by Director, and that Producer, in the event of breach by Director, shall be entitled to seek equitable relief by way of injunction or otherwise.

16. REMEDIES: Director 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 Director is not irreparable or sufficient to entitle Director to injunctive or other equitable relief. Consequently, Director's rights and remedies shall be limited to the right, if any, to obtain damages at law and Director 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.

17. NO OBLIGATION TO PROCEED. Nothing herein contained shall in any way obligate Producer to use Director's services hereunder or to include the results and proceeds of Director's services in the Picture or to produce, exhibit, advertise or distribute the Picture; provided that, upon the condition that neither Lender nor Director is in material default of the terms and conditions hereof, nothing contained in this Paragraph shall relieve Producer of its obligations to Lender or Director hereunder, which shall be deemed fully performed by payment to Lender of the foregoing amounts. All of the foregoing shall be subject to the other terms and conditions of this Agreement (including, without limitation, force majeure, disability and default).

18. MISCELLANEOUS:

- (a) **Arbitration.** To the extent not subject to DGA arbitration, all disputes under this Agreement shall be settled pursuant to binding arbitration under the rules of the Independent Film and Television Alliance ("IFTA") in _____ before a single arbitrator. The prevailing party will be entitled to reasonable attorneys' fees and costs.
- (b) **Indemnification.** Lender and Director shall indemnify and defend Producer from and against any and all claims and damages arising from the breach of any representation or warranty of Lender or Director hereunder to the extent such claim or damage does not arise out of a breach by Producer hereunder. Producer shall indemnify and defend Lender and Director 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 Lender or Director 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.** Lender nor Director may assign its rights or obligations hereunder except to the extent Lender wishes to assign its right to receive its compensation to another party or entity. Producer may assign its rights and obligations hereunder, provided, however, that if this Agreement is assigned to a person or entity other than a bona fide distributor, financier, major or mini-major studio that assumes Producer's obligations in writing, Producer shall remain secondarily liable to Lender and Director.
- (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 Artist's identity and United States employment eligibility. Artist 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.** Lender and Director agree 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 Lender or Director shall fail to execute and deliver any such documents or other instruments, within ten (10) calendar days after such documents are delivered to Lender or Director, Producer shall be deemed to be, and Lender and Director irrevocably appoints Producer, the true and lawful attorney-in-fact of Lender and Director, to execute and deliver any and all such documents and other instruments in the name of Lender and Director, 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

LENDER

By:

By:

Its:

EIN:

INDUCEMENT CLAUSE

I have read the foregoing terms of the Agreement dated _____ between Producer and Lender, and to the extent such terms apply to me as an individual, I agree to be bound as if I had personally signed such Agreement.

BY: _____