

RIGHTS ACQUISITION AGREEMENT

THIS AGREEMENT made effective as of the ____ day of _____, _____.

BETWEEN:

[NAME OF OWNER OF RIGHTS]

[address]
(the "Owner")

- and -

[NAME OF PRODUCER]

[address]
(the "Producer")

WHEREAS pursuant to an Option Agreement (the "Option Agreement") between the parties dated the ____ day of _____, _____, the Owner granted to the Producer an option to acquire the rights to an original screenplay written by the Owner currently entitled _____ [describe the work that was optioned] (the "Work");

AND WHEREAS the Producer has exercised its option to acquire the rights to the Work, and in accordance with the provisions of the Option Agreement, the parties are executing this Agreement to reduce to writing the terms under which the rights to the Work shall be acquired by and transferred to the Producer;

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the mutual covenants and agreements contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties, the parties hereby agree as follows:

1. Interpretation

1.1 Wherever used throughout this Agreement, the following words and phrases shall have the following meanings:

- | | |
|------------------------|--|
| Agreement | this Film Rights Acquisition Agreement; |
| Biography | an approved biography of the Owner, comprised of no fewer than _____ words; |
| Broadcast | any and all means and forms of broadcast, transmission or other delivery method (live or recorded) by which audio and/or audio-visual material may be made available to a radio listener or television viewer, including narrowcast, satellite transmission, cable delivery, and regardless of whether such delivery is free or pay; |
| Direct Delivery | any and all means by which audio and/or audio-visual material is made available to users (other than by means of Broadcast), including delivery, transmission and other dissemination over the Internet and any and all forms of telephony (whether fixed line, wireless or otherwise); |
| Film | as applicable, each and every Television Film, Theatrical Film, and/or television series produced in exercise of the Rights; |
| Images | approved color and/or black and white photographs and transparencies of the Owner in such form as the Producer shall require; |
| Net Receipts | the gross monies actually received by the Producer in _____ [name of country/ies] which are directly and identifiably attributable to the Producer's |

exploitation of the Rights and which the Producer is entitled to retain, not being any amounts of such monies which the Producer is required to pay to any third party and after the deduction from such monies of all costs and expenses incurred by or on behalf of the Producer in connection with the applicable form of exploitation in respect of which the monies have arisen, and less any element of sales tax included in such gross monies;

Option	shall have the meaning ascribed to it in the Option Agreement;
Prequel	any Film featuring one or more of the characters from the Work participating in events that precede the events that are the subject of the Work;
Products	all Films and all other products derived from the exercise of the Rights hereunder;
Purchase Price	an amount equal to the applicable Total Guaranteed Payment due if the Film were being produced on the terms of the Writers' Guild Agreement, it being acknowledged and agreed that at the time of the Producer's exercise of the Option, the Producer shall in good faith determine the type of Film that it intends to produce and the anticipated budget for the Film;
Recoupment	the point in time when gross monies net of sales taxes deriving from any and all exploitation of the Film and/or the Rights and actually received first equal the actual costs of production of the Film (such costs to be certified by the production accountant);
Rights	the entire copyright and all other rights in and to the Work, including all those rights specified in clause 2.1;
Royalty	1.5% of the Net Receipts following Recoupment;
Screenplay	the screenplay which is the subject of the Option Agreement, prior to its development pursuant to the terms of the Option Agreement;
Sequel	any Film featuring one or more of the characters from the Work participating in events that occur after the events that are the subject of the Work;
Television Film	a film intended primarily for exploitation through Broadcast on television;
Theatrical Film	a cinematograph film intended primarily for exploitation by full theatrical release;
Total Guaranteed Payment	the amount payable by a producer to a writer if the same had contracted pursuant to the terms of the Writers' Guild Agreement, it being acknowledged that the amount is determined by reference to the type of Film to be produced and the budget for the same;
Writers' Guild Agreement	the agreement between the _____ [<i>name of Writers' Guild</i>] and the _____ [<i>name of Producers Association</i>], effective _____ [<i>date</i>];
Work	the Screenplay (as the same shall have been revised and added to during the Option Period), including: (a) the first and second redrafts of the same delivered by the Owner to the Producer during the Option Period in accordance with the terms of the Option Agreement; and