

This Agreement is entered by and between Hollywood Production Company (Producer) and Sally Screenwriter (referred to herein as Artist), in connection with the feature length motion picture presently entitled *My Hollywood Script*.

**1. Engagement.** Subject to the Conditions Precedent set forth in Paragraph 3, below, Producer hereby engages Artist to write *My Hollywood Script*. Artist will render all services reasonably required by Producer hereunder and all services customarily rendered by writers of first-class, feature length, motion pictures in the motion picture industry, as, when and where reasonably required by Producer, and will comply with all reasonable directions, requests, rules and regulations of Producer in connection therewith, whether or not the same involve matters of artistic taste or judgment.

**2. Compensation.**

a. Subject to the production and sale or release of the Picture and subject to the performance of Artist's obligations hereunder, Artist shall be entitled to receive as Contingent Compensation X% of the Net Revenues After Breakeven.

b. Definitions.

(1) *Gross Receipts* shall mean:

(a) All Net Sums actually received by Production Company from the following: (i) grants and licenses of exhibition or distribution rights, specifically including licenses to cable operators; (ii) the lease of positive prints (as distinguished from the licensing thereof for a film rental); and (iii) recoveries by Production Company for infringement of copyrights of the Picture. For purposes of this Sub-Paragraph, the term *Net Sums* means Production Company's receipts less all commissions, marketing, advertising, publicity and other distribution costs incurred directly in connection therewith.

(b) All Net Sums derived by Production Company from distribution of the Picture on a *Road Show*, *Reissue* and *Four Wall* basis, as such terms are commonly understood in the motion picture industry, whether on fixed or percentage engagements. For purposes of this Sub-Paragraph, the term *Net Sums* means Production Company's receipts less all commissions, marketing, advertising, publicity and other distribution costs incurred directly in connection therewith.

(c) All costs incurred in connection with any of the foregoing shall be deemed and treated as recoupable distribution expenses. In no event shall rentals from the exhibition of the Picture which are contributed to charitable organizations be included in gross receipts.

(d) All amounts, if any, actually received on account of music publishing income, sound track record income and merchandising income are specifically excluded from Gross Receipts.

(2) Net Receipts After Breakeven shall be defined as set forth in Schedule 1, attached hereto and made a part hereof.

**3. Conditions Precedent.** All of Producer's obligations hereunder are expressly conditioned upon and subject to: (i) full execution and delivery to Producer of this Agreement; (ii) the finalizing of all agreements necessary for the full financing of the Picture, including the ratification and acceptance of this Agreement by the financing party; (iii) Artist's completion of the Immigration and Naturalization Service ("INS") Form I 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.

#### **4. Credit.**

a. If the Picture is produced and Artist fully performs all material obligations required under this Agreement, Artist shall be accorded credit as follows: "Screenplay by Sally Screenwriter" on all positive prints of the Picture and in paid advertisements (subject to customary exclusions) for the Picture.

b. Except as provided above, all matters relating to credit hereunder, including without limitation, the mode, manner, size, style, placement, duration, prominence, etc. thereof, shall be within Producer's sole and absolute discretion. Any and all obligations that accord writing credit to Artist in paid advertising under this Agreement shall be subject to customary exclusions and exceptions (including any so called *artwork exception*) on any distributors of the Picture.

c. Any casual or inadvertent failure of Producer or any failure of any third party to comply with the credit provisions herein shall not be deemed a breach of this Agreement. Promptly after receipt of written notice from Artist specifying a material failure to accord Artist credit in accordance with the Agreement, Producer shall use good faith efforts to cure prospectively any such material failure to accord credit hereunder with regard to materials created after the date of Producer's receipt of such notice. Producer shall use good faith efforts to contractually require third parties to observe the credit obligations set forth herein, but Producer shall not be responsible or liable to Artist for the failure of any such third party to comply with the same.

#### **5. Grant of Rights.**

a. Artist grants to Producer the perpetual right to use, display and reproduce, and license others to use, display and reproduce, the name, voice and 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.

b. Producer may perpetually use, or authorize others to use, any of the rights herein granted for commercial advertising or publicity in connection with any product, commodity or service manufactured, distributed or offered by Producer, any distributor of the Picture, or their successors and assigns or Artist's services rendered to Producer. 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.

c. Artist acknowledges and agrees that the results and proceeds of Artist's 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 in connection with the Picture, or its preparation or production (collectively, the Material), shall automatically become the exclusive property of Producer as a *work made for hire* as defined by U.S. Copyright Law and Producer shall, for copyright and all other purposes, be deemed the sole author thereof and shall have the right to obtain copyright therefore 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.

d. Notwithstanding anything herein to the contrary, in the event Artist's services hereunder, for any reason, are deemed not 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 Producer 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.

e. Subject to any express provisions to the contrary set forth in this Agreement, Producer 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. Producer 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.

f. 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.

**6. 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 a 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.

**7. Artist's Representations and Warranties.** Artist hereby represents and warrants as follows:

a. Other than as submitted to Artist by Producer for incorporation into the Picture, all of the Material shall be wholly original with Artist or in the public domain;

b. The Material or any use of the Material contemplated hereunder does not and will not 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;

- c. Except as submitted to Artist by Producer, the Material shall be fictitious and no real persons shall be depicted therein;
- d. There are no claims or litigation pending and no threat of any claim or litigation with respect to, concerning or purporting to affect adversely Producer's right and title in or to the Material;
- e. As between Producer and Artist, Producer will be the sole and exclusive owner in perpetuity throughout the universe of the rights in and to the Material;
- f. 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;
- g. Artist will perform in good faith and to the best of Artist's ability in the manner and at the times and places directed by Producer all of the services reasonably required of Artist by Producer hereunder and will comply with all reasonable directions, requests, rules and regulations of Producer in connection therewith;
- h. Artist is not subject to any obligation or disability that 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;
- i. Artist has not made nor will Artist make any agreement that will or might conflict with or impair the complete enjoyment of the services, rights and privileges granted to Producer hereunder.

## **8. Indemnity.**

- a. Artist shall defend, indemnify and hold harmless Producer 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, whether or not in connection with litigation), 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 breach of any warranty, representation, or agreement made or entered into herein or hereunder by Artist.
- b. Producer 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, whether or not in connection with litigation), damages or recoveries (including without limitation any amount paid in settlement) suffered, made, incurred or assumed by Artist in connection with any material submitted to Artist by Producer for use in the Picture or by reason of the breach of any warranty, representation, or agreement made or entered into herein or hereunder by Producer.

**9. Assignment.** Producer 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

Producer shall determine in its sole discretion and such assignment shall fully relieve and release Producer from any further obligation to Artist hereunder to the extent that Producer's assignee performs Producer's obligations and assumes Producer's obligations in writing. Artist may not assign this Agreement. Producer's rights shall inure to the benefit of Producer's successors and assigns.

**10. No Obligation To Produce.** Artist acknowledges and agrees that Producer 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 Producer elects to abandon production of the Picture or the use of Artist's services at any time, subject to the express provisions hereof to the contrary, the sums paid to Artist in respect of compensation hereunder up to the date of such abandonment shall constitute Artist's full, sole, complete and satisfactory compensation hereunder.

**11. No Injunction.** 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.

**12. 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 Producer irreparable injury and damage. Accordingly, Producer 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 Producer may have for damages or otherwise.

**13. Suspension/Termination.**

a. If Artist dies this Agreement shall be deemed to be terminated. If Artist is incapacitated (whether physically or mentally), Producer may in its sole discretion terminate or suspend this Agreement.

b. This Agreement shall be automatically suspended without notice to Artist 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 Producer's development or production of the Picture, takeover by any financier or guarantor, 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 Producer's control.

c. If Artist does not or cannot adequately render services hereunder because of Artist's default hereunder, or Artist fails or threatens to fail to perform or to be available to perform the services as required by Producer pursuant to this Agreement or otherwise breaches this Agreement, this Agreement shall be automatically suspended without notice to Artist until and unless Artist reports to Producer, ready, willing and able in all respects to resume Artist's services and Producer elects to end the suspension.

d. If Producer elects to terminate this Agreement, upon such termination hereof, 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 Producer hereby. As of the date of such termination, Producer shall have no further obligation to Artist whatsoever, and if Artist has been paid any compensation in advance, Artist shall repay such advance to Producer on demand. If this Agreement is terminated for any reason whatsoever, Artist shall, immediately upon receipt of the termination notice, deliver to Producer any and all material theretofore written and/or prepared by Artist in connection with the Picture, and Producer 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 Producer's legal and equitable remedies and shall not affect Producer'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.

**14. 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.

**15. 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 Producer or Artist may hereafter designate in writing in the manner provided above, and shall be sufficiently given by personal delivery, or by mailing the same in a postage prepaid wrapper addressed to the other party as aforesaid, with a courtesy copy sent via email, and the date of such delivery or mailing shall be the date of the giving of such Notices. Sally

Screenwriter

123 Main Street

Small Town, NC 12345 All notices to Production Producer shall be sent to: Hollywood

Production Company

c/o "The Producer"

1234 Hollywood Blvd.

Hollywood, CA 90046

**16. Further Documents.** Artist shall execute and deliver all documents and instruments consistent herewith as Producer may from time to time reasonably require, and will take such action as Producer or Producer's successors and assigns may from time to time reasonably

request, for the purpose of confirming, evidencing, establishing, maintaining, protecting, enforcing, defending or further assuring Producer'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 five (5) days after Producer's request to do so, Artist hereby irrevocably constitutes, authorizes, empowers and appoints Producer, 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. Producer will provide Artist with copies of all such attorney-in-fact executed documents.

## **17. Miscellaneous Provisions.**

a. 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.

b. 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.

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

d. 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.

e. 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.

f. 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.

g. 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.

h. 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 attorney's fees, costs and expenses as may be fixed by the Court or the arbitrator(s).

i. 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 the others or any right or remedy provided for by law.

\_\_\_\_\_  
Hollywood Producer for Hollywood Production Company Date: \_\_\_\_\_

\_\_\_\_\_  
Sally Screenwriter Date: \_\_\_\_\_