

CO-PRODUCTION AND AUDIOVISUAL EXCHANGE AGREEMENT BETWEEN COPEAM MEMBERS

Taking into consideration existing practices, this agreement shows two possible scenarios corresponding to the two main types of co-production agreement current on the national and international markets:

1 / a co-production establishing a partnership between two producers who want to share their professional skills and financial resources to find all or part of the funding for an audiovisual work and to make it on the basis of common consultations (this scenario is written in body text normal);

2 / a co-production where one of the partners, said to be the “passive” partner, limits himself to investing a fixed amount in the work, entitling him to a share and a right to the income from exhibition, but without becoming involved in putting together the financial package or in making the film, tasks assigned to his associate, who is said to be the “active” partner, (this scenario is written in body text bold).

The standard agreement distinguishes between these two types of co-production when appropriate.

BETWEEN :

COMPANY A, on the one hand

Considered the active co-producer in the type of co-production described in 2 above

AND

COMPANY B, on the other hand

Considered the passive co-producer in the type of co-production described in 2 above.

Article 1 – Object

1.1 – Characteristics of the co-production

The parties agree to co-produce a film (*format, support, colour*) (afterwards called The Film) provisionally or definitively entitled:

.....

By Co-production, the parties mean the shared search for funding and the joint making of the Film, of which COMPANY A and COMPANY B will become, during its making, joint owners of the tangible and intangible exhibition rights according to the pro-ratas of their investments.

This Film is based on a script written, adapted and with dialogue written by (Script writer), whose exclusive rights have been acquired by COMPANY A for its audiovisual adaptation, making and worldwide exhibition, both primary and secondary, by all modes, types, techniques and processes, in all media, in all formats and languages.

Under this Agreement, COMPANY A and COMPANY B are co-owners of the rights to the script acquired by COMPANY A as noted above, COMPANY A bringing to the co-production the benefits and the expenses of the contract with

In this regard COMPANY A indemnifies COMPANY B against all claims or actions which may be brought against it in connection with the implementation of the present agreement.

This co-production is part of the bilateral agreement of the concluded between the States, which if necessary takes precedence over the clauses of this Agreement and completes them.

All artistic and technical decisions will be made by mutual agreement between the parties, including:

- the working schedule and timing;
- the budget;
- the choice of leading actors;
- the choice of composer;
- the choice of principal technicians;
- the filming locations or studio;
- the sets and costumes;
- the laboratory
- acceptance of final edit;
- making the front and end credits, film trailers and the teaser campaign;
- the pre-release publicity campaign.

Any substantial change to any of these items or any other elements attached to the present agreement (budget, financial plan, production plan, key elements) require the prior agreement of both parties.

Each party will do its part:

- by obtaining all visas of control and necessary permits for the exhibition of the Film in the best current conditions on his own territory where he has exclusive exhibition rights of the Film;
- by obtaining all official validations issued by the national broadcasting supervisory authorities and / or cinema on his own territory where he has exclusive exhibition rights of the Film.

The parties agree that all pre-production State aid obtained by either party on its own territory be entered into the Film's budget.

1.2 – Copyright

The Film will be made by with whom an author's contract will be drawn up and signed.

Each party will provide the other party with a copy in English of the copyright agreements drawn up and signed by him as well as a copy of all documents necessary for the dossier to be submitted to the administrative authorities in his country.

As the making of the Film progresses, the parties will become owners of such rights in proportion to their respective investments.

Given the diversity of legislation on the matter, the parties agree that the authors include:

- the author(s) of the script , adaptation and dialogue;
- the director;
- the composer(s) of the music created specifically for the Film.

If one party considers any other person involved in the Film to have the capacity of author, it is up to that party to pay his fee and indemnify the other party in this regard, unless there is an agreement to the contrary by the other party.

Without prejudice to the previous paragraph, all amounts due to the authors, actors and other beneficiaries under transfer of rights contracts, with the exception of their percentage of the revenue, will be included in the cost of Film and paid by each party as indicated below.

Each Party shall ensure in its own territory the formalities required by the national authority so that the rights to the Film become effective (registration at the copyright office...).

The parties declare that they meet the criteria and / or have the permission required by their respective national authorities to engage in an audiovisual production, and in this context are eligible for the benefits under the bilateral agreement

Article 1 – Object

1.1 - Characteristics

Company A intends to produce a Film (format, medium, colour) (hereinafter The Film) temporarily or permanently entitled:

.....

Given the commitments set out below, considered essential and determinant to the present Agreement, Company B declares it wishes to act as co-producer on the conditions defined below.

This co-production is part of the bilateral agreement of the concluded between States, which if necessary takes precedence over the clauses of this Agreement and completes them as necessary.

The essential and determinant artistic and technical characteristics of this Agreement are:

- the length of the Film:
- the start of filming:
- the duration of shooting:
- the filming locations or studio:
- the place of post-production:
- the date of delivery of the standard copy with its operating visa.....
- the principal actors:
- the principal technicians:
- the laboratory:

- the amount of the production estimate: including:
 - . price of assigning the authors', actors' and other beneficiaries' rights;
 - . preparation costs (including development, recce);
 - . production costs, including the costs of the negative / master and a reversal negative;
 - . cost of trailers and teaser campaign;
 - . production insurance premiums;
 - . production advertising;
 - . overheads (...% of the budget);
 - . executive producer's fee;
 - . financial expenses.

Any substantial change to any of these items or other elements attached to the Agreement (budget, financial plan, production plan, key elements) require the agreement of all the parties.

1.2 – Copyright

The Film is taken from the script written, adapted and with dialogue by whose rights have been acquired by COMPANY A with a view to it being made into a Film and marketed and exhibited world-wide by all methods and processes, on all media, in all formats and languages. In this respect COMPANY A indemnifies COMPANY B against all claims or actions which may be brought against it in connection with the implementation of any of these.

The Film will be directed by with whom a copyright contract will be drawn up and signed.

Company A will provide Company B with a copy of the copyright contracts it has signed, and more generally all documents necessary for Company B, particularly for the dossier to be submitted to the administrative authorities of his country.

Given the diversity of legislation on the matter, both parties agree that the authors include:

- the author(s) of the script, adaptation and dialogue;
- the director;
- the composer(s) of music created specifically for the Film.

If one party considers any other person involved in the Film to have the capacity of author, it is up to that party to pay his fee and indemnify the other party in this regard, unless there is an agreement to the contrary by the other party.

1.3 - Completion Guarantee

COMPANY A declares and guarantees to COMPANY B, subject to latter providing its share of the finance, that it has got together or will get together before the start of filming sufficient funding to cover the full cost of producing the Film mentioned above and it vouches for the successful completion of the Film, that is to say:

- delivery, on the date specified above, of all the materials needed to exhibit the Film in accordance with the approved script, whose characteristics are set forth above, and the distribution standards in force in each of the parties' own countries,
- obtaining all control visas and permits necessary for the Film's being exhibited under the best current conditions, given its type and format;
- obtaining all approvals issued by the national authorities controlling broadcasting and / or the cinema.

Company A states it meets the criteria required by its own national authority to engage in audiovisual production.

The parties declare that they meet the criteria and / or have the permission required by their respective national authorities to be Film producers under the legislation and bilateral agreements signed between their governments.

The parties agree that the pre-production State aid obtained by each party on its territory are included in the budget of the Film.

Article 2– Production

2.1 – Executive Production

COMPANY A is designated as Executive Producer, given that it is understood all artistic and technical decisions will be taken by mutual agreement between the parties.

As such, COMPANY A is responsible for organizing the making of the Film in the name and on behalf of the co-production.

Throughout the duration of the making of the Film, COMPANY B may freely and at any time inspect the way the production is organized. Each party is forbidden to make any agreement or any commitment relating to artistic and technical elements of the Film without the prior consent of the other, apart from acts of ordinary administration.

However, the parties will consult each other by any means as soon as there is an important issue to resolve during production, excluding day-to-day management issues.

Throughout the duration of the production, the parties agree to meet every , alternately in the territory of one and the other.

The start date and length of shooting will be determined by mutual agreement between the parties.

The Film will be shot in the language and dubbed into the language .

Company A will place the negative in a laboratory chosen by common consent throughout the making of the Film and until the other party's inter-negative / master has been made, and will make sure the laboratory delivers the inter-negative / master and equipment referred to in Article 4 below to Company B. The location of the laboratory has no impact on the ownership of the negative, undivided between the parties as described in section 3.1 below.

During filming Company B may view the rushes.

The Film will be considered completed once the master / [negative and show copy] have been finalised and, if necessary, after receiving the visa or permission of the competent national administrative authority.

Contracts to work with potential partners, including the co-production contracts and those associated with the production and the pre-purchase the Film will be signed by Company A once the final project has been accepted by Company B and subject to the provisions of inter-governmental agreements relating to co-productions in force.

In case of a new partner, decisions shall be taken by an absolute majority, the latter reflecting the amount of each co-producer's rights.

1 / Production

The executive production of the Film, that is the organization and material execution of making the Film, will be provided by Company A, including:

- pre-production, filming, post-production;
- preparation of submissions to the administrative authorities;
- engagement of artists and technicians. A copy of the contracts signed with the key employees will be kept for Company B's information and files;
- book-keeping all expenses, materialized by establishing a definitive situation which will determine the Film's final cost and from that the corresponding balance sheet. The accounts will be available to Company B who may have access to them during office working hours and may have them examined by any agent of their choice with 15 days' notice.

2/ Production costs / expenses

The estimate for the Film attached hereto is calculated at the sum of (Company A's currency) or(Company B's currency)

The rate used for the currency conversion calculation of the total estimate is 1..... (Company A's currency) is equivalent to (Company B's currency)

The cost of the Film includes all expenditures necessary for the making of the Film including:

- all costs incurred for the screenplay and adaptation and dialogue;
- the minima given to the authors in their capacity as writer, adapter, director, excluding their percentage of the takings;
- the payment of performers and technicians;
- the real costs related to the production of the Film during pre-production, recce, filming, editing and finishing, including masters / [inter-negatives, 1st show copy] and the PAD in case of the Film's pre-purchase;
- the production's insurance premiums, it being understood that as executive producer, Company A agrees to take out, justify and maintain one or more insurance policies providing the minimum cover against the following risks:
 - . loss or damage to the master / negative
 - . liability insurance
 - . production insurance covering total or partial unavailability of the director and the leading actors
 - . plus any insurance customary in the profession.

This cover will apply until the delivery of the master / 1st show copy.

Company (A or B) will make sure from the insurance company that both parties will receive the indemnities in proportion to their contribution to the production;

- the fees paid to a third party for the loans or discounts required to finance the Film;
- the production's advertising, including the cost of teasers and trailers;
- the price of acquiring the exhibition rights of audiovisual archives or inserts, graphics and sound;
- taxes payable upon the Film's release, in accordance with current legislation, non-recoverable VAT and all other taxes present and future payable by the producers;
- the producers' subscriptions, present and future, to any authority and professional organization;
- overheads, fixed as ...% of the Film's budget, paid to the limit of their respective contributions by the company A and company B;
- contingencies, fixed at ...% of the Film's budget;
- all administrative fees (eg RPCA).

3/ Delivery

Company A will deliver at its expense to Company B no later than the elements necessary to make a version in the language, either:

- a graded copy image and sound taken from the original edited negative / a graded master image and sound;
- an inter-negative for making copies (or master in..... format);
- a synchronous 35 mm magnetic tape (audio file ... format onmedia) of sounds and sound effects;
- a mixed 35 mm magnetic tape (audio file ... format on media) of the dialogue, commentaries, effects, sounds, music;
- a 35 mm magnetic tape with the music mixed down on to one track (audio file format on media);
- a list of all dialogue / commentary conforming to the final cut;
- a music cue sheet;
- a synopsis;
- photos;
- list of technicians, actors and others mentioned on the screen.

Dubbed or subtitled show copies will be made in a laboratory in the country where this dubbed or subtitled version will be shown, at the expense of whichever party has the exclusive right to such territory or territories.

2.2 - Finance

Sums gained from from pre-purchases, advances by distributors and publishers, the capital investment / contributions of third party co-producers and financial partners as well as any other sources of income obtained before the Film is made will be reserved and used in priority for financing the film.

All remaining costs needing finance will be paid:

up to XX% by Company A

up to XX% by Company B

The parties state that these contributions correspond to the proportions required by bilateral agreement of the above.

Company B, to reimburse the expenses incurred by Company A in its role as executive producer, will pay its share calculated according to a schedule to be established hereafter between the parties based on the stated needs during the filming and post-production of the Film. The payments will be made by transfer to the account opened in the name of the Film at.....bank, whose details will be communicated to Company B.

From these amounts will be deducted the expenses made directly by Company B in its own country on behalf of the co-production (excluding costs relating to the exhibition in its own country, which are its own expense), as these expenses appear in the Film estimate.

In the event that for whatever reason, the production costs exceed the estimate, the excess will be borne by Company A up to and by Company B up to

Article 2 – Production

2.1 – Executive Production

Company A will assume the role and responsibility of Executive Producer and as such take all decisions relating to the making of the Film, in the best interests of everyone, under its own name and its own responsibility.

Company A may not, without Company B's approval, take any decision which modifies the items already agreed by Company B, particularly regarding the script. As part of the completion guarantee, Company A will inform Company B beforehand of any changes in the budget and financing.

The teaser campaign, trailers and layouts of the poster will be shown to Company B for approval.

Throughout the production period, the parties agree to meet every, alternately in the territory of one and the other.

Company B may send representatives to attend the filming and screenings, watch the edited version prior to mixing to ensure that the film being made corresponds to the agreed project and inspect account books and records as well as all receipts of expenditure whether relating to the production or exhibition.

If such inspections show an error of 5% or more compared to the stated takings, the cost of any inspection initiated by Company B must be reimbursed on request.

Every day during filming Company A will send to Company B of a copy of the service sheet and production report, and, upon request, the financial situation established by the production accountant.

An account of the final cost will be sent to Company B within three months of delivering the master / [negative + 1 show print] of the Film. Company A must immediately send a copy of every contract, revenue accounts, etc. to Company B.

2.2 – Payment of the financial contribution

Company B will pay into the account opened specifically for the production of the Film the sum of

.....

payable against receipt of invoices, in days as follows:

- at the end of each week of filming, upon presentation of verification that the filming is taking place as planned.

This money will be used exclusively for paying the Film's production costs.

This amount is fixed and final.

If the cost of the Film exceeds Company A's quote, the latter has sole responsibility for the overspend. Company B cannot be held to blame by anyone without the payment of the over-spend resulting in a change in the share of the tangible and intangible rights or the income rights assigned to Company B.

This condition is essential and determinant to this Agreement.

However, if Company A, while respecting every artistic feature of the Film, should spend less than its

original estimates, this saving will belong exclusively and definitively to Company A. Both parties declare that their respective contributions correspond to the proportions required by the bilateral agreement of the above.

If Company B fails to pay all or part of its financial contribution, Company A shall be entitled, having sent formal notice to Company B by registered letter and recorded delivery and having received no reply 15 days after its first presentation, to substitute a co-producer of the same nationality who will incorporate all or part of Company B's rights.

Such substitution shall be in proportion to how much of Company B's original financial commitment has not been honoured, and that subject to any additional damages.

The money already invested by Company B will be treated as a debt which can be repayable:

- by the Film's income,
- the last row
- after recovery of its contribution by the substitute co-producer.

Article 3 – Economic rights – Exploitation

3.1 - Co-ownership

Through this agreement, both parties will be undivided co-owners of all the tangible and intangible assets of the Film during the course of its making, and particularly of the negative / master in the following proportions:

Company A:%

Company B:%

The share of co-ownership which might be granted to any external partner, if the bilateral agreement of the permits it, will decrease each party's share by the same proportion.

Throughout the production each Party shall refrain from any commitment or pledge or grant any of its share of the tangible and intangible elements of Film which could hinder the other party from freely disposing of its own rights.

3.2 - Distribution of Income

By income is meant the producer's share of the net receipts (PBSR See appendix) collected from the exhibition and exploitation of the Film (including the separate exploitation of its components) by all methods, types, techniques and processes and in all formats world-wide, and all grants, support funds, bonuses and prizes awarded to Film.

Company A will have the exclusive right to exhibit and exploit the Film in the following areas:

XXXXXX, including territories, ships and aircraft flying the flag of these countries.

All income from lands reserved to Company A will be allocated 100% to the latter.

Company B will have the exclusive right to exhibit and exploit the Film in the following areas:

XXXXXX, including territories, ships and aircraft flying the flag of these countries.

All income from lands reserved to Company B will be allocated 100% to the latter.

As an exception to the foregoing, each party is expressly forbidden to show and / or assign or grant to any third party the Film's transmission or broadcast rights in such a way it may be picked up outside the geographic limits of the areas that are reserved to it in a version other than in the dubbed version or the version filmed in the official language of the said territories.

As part of their exclusive rights, the parties shall pay the entire cost of this exploitation as well as any remuneration due to the different beneficiaries in strict proportion to the income resulting from the exploitation.

3.3 – Authorisation to exhibit and exploit the Film

The exploitation of the Film, by all means and processes, on all media throughout the world, will be carried out by Company A acting on its own behalf and on behalf of Company B and any other co-producer.

Subject to exclusive territories being granted to a third party entering into co-production, the world exploitation rights will be divided as follows:

Company A: %

Company B: %

Company B will pass on to Company A any offers which may be made to it by potential buyers, distributors or agents.

Company A must then, within 8 working days, present more favourable terms it may have been able to assemble on its side, with all necessary evidence to support its argument. Without this the agreement will be concluded with the first third party.

In any event and whoever the purchaser may be, the contract will be drawn up by Company A.

To compensate for the cost of exploitation and exhibition, Company A will be entitled to a commission of%.

Company A will deduct its commission from the gross takings as and when these start coming in, from the first centime made.

Company A will advance the costs necessary to allow the fulfilment of the contracts concluded by it for the Film's exhibition and exploitation (including copies, advertising, laboratory work, transport, insurance, taxes, etc.), and will reimburse itself from the first gross revenue received by it, after taking its commission.

Company A will communicate to Company B the income from the Film's exhibition each quarter by sending it, no later than the 40th day after each period, a statement of income for the period in question together with, if relevant, the sum of money accruing from the PBSR.

If there are external partners, having given the said partners their percentage, the remaining balance of income will be distributed between Company A and Company B.

It is understood that the sums paid in connection with the financing of the Film, including the pre-purchasing of broadcasting rights and the guaranteed minimum, are excluded from revenue.

This authorisation is concluded for the duration of copyright, including any renewal. It can be fulfilled either directly or indirectly by any agent or assignee chosen by Company A.

This authorisation being of common interest, it may only be revoked by mutual agreement.

After the expiration of the literary and artistic rights acquired by the co-production or created by it, the parties will remain indivisible co-owners of the tangible elements of Film, specifically the negative / master, as well as its intangible assets, including the producer's economic rights, and this in the proportions indicated above. The parties will continue to be co-owners of the revenue coming from the exploitation of the Film and / or its components in the said proportions and according to the same conditions stated above.

In the case where one of the parties shall obtain a renewal or extension of literary or artistic rights in return for the payment of a sum or a remuneration proportional to income, the cost of this extension or renewal will be borne by parties in proportion to their undivided rights on the intangible aspects of the Film.

Article 3 – Economic rights - Exploitation

3.1 – Economic rights

Company A transfers to Company B:

- An undivided share of% of the intangible rights acquired or those that it may acquire in the future for the same purpose, including the copyright and related rights necessary for the production and the exploitation of the Film and / or its components, according to the contracts signed before today or which may be signed in the future, and for the period that is or will be mentioned;
- An undivided share of % of the tangible assets of the Film, including the negative and all the inter-negatives, masters, copies, files, audio tapes ... as and when they are made;
- A share of all income from the exhibition and exploitation of the Film and / or its components or derivatives world-wide, outside the countries of any future third-party co-producers, in all versions, all methods and processes known or unknown to this day.

By income should be understood the producer's share of net receipts (PBSR see appendix) from the exploitation of the Film by all methods and processes and all formats world-wide, as well as all grants, support funds, premiums and prizes awarded to the Film.

Company B will thus receive% of the income defined above, from the first centime and up to a sum of

Beyond this amount, company B will receive% of the same income.

Out of its share of the income Company B will pay, in proportion to its share-holding, the proportional amount allocated for the authors, actors and other beneficiaries, provided that the amount thus allocated has previously been the subject of a written agreement between companies A and B.

In addition, Company B will have the exclusive right to use in the following territories:

XXXXXX, including territories, ships and aircraft flying the flag of these countries.

Income from lands reserved to Company B will be allocated 100% to the latter

As an exception to the foregoing, each party is expressly forbidden to show and / or assign or grant to any third party the Film's transmission or broadcast rights in such a way that it may be picked up outside the geographic limits of the areas that are reserved to it other than in the dubbed version or the version filmed in the official language of the said territories.

As part of their exclusive rights, the parties shall pay the entire cost of this exploitation as well as any remuneration due to the different beneficiaries in strict proportion to the income resulting from the exploitation.

It is understood between the parties that the amounts received in connection with the financing of the Film, including income from the pre-purchase of broadcasting rights and advances and minimum guarantees, are excluded from the exploitation income.

If there are external partners (provided the bilateral agreement of the authorizes it), the balance remaining after the said partners have received their share will be divided between Company A and Company B.

In the same way the parties will pay the share owed to any person who has collaborated in the making of the Film.

It is agreed that Company B may collect the share of the takings defined above alone, directly from any third party owners and debtors, without the presence or the participation of Company A.

After the expiration of the literary and artistic rights acquired by the production, the parties will remain undivided co-owners of the tangible elements of Film, particularly the negative, as well as its intangible assets, including the producer's related rights, and that in the proportions indicated below. The parties will continue to own the takings from the showing and exploitation of the Film or its components in the said proportions and according to the same conditions stated above.

If one of the parties should obtain a renewal or extension of the literary and artistic rights in return for the payment of a sum of money or for a percentage of the takings, the cost of this extension or renewal will be borne by the parties in proportion to their undivided rights to Film's intangible elements and the share of future income assigned to Company B will continue to be collected by the latter in the same way.

Company A indemnifies Company B against all claims or actions which may be brought by the rights holders or, in general, any person who, although not involved in the production or realization of Film, would be likely to enforce any right in connection with the implementation of these, except in the case of holdings exclusively granted to Company B.

3.2 – Authorisation to exhibit and exploit the Film

To compensate for the Film's exploitation and exhibition costs, Company A will be entitled to a commission of%.

Company A will deduct its commission from the gross takings as these are made, from the first centime.

Company A will advance the costs necessary to fulfil the contracts signed by it for the marketing and exhibition of the film, and will reimburse itself from the first gross takings received by it after taking its commission.

The bookkeeping of the marketing and exhibition of the Film will be kept by Company A which agrees to act in the best mutual interest of all parties.

This authorisation is valid for the duration of copyright, including renewals. It can be fulfilled either directly or indirectly by any agent or assignee chosen by Company A.
This authorisation being of common interest, it may be revoked only by mutual agreement.

Each quarter Company A will communicate to Company B the income deriving from the Film's exhibition by sending no later than the 40th day after each period a statement of income related to the period with, if applicable, the net amount due to Company B.

Article 4 – Prohibitions - guarantees

Each party agrees not to grant or delegate to any third party any security / lien or pledge, and more generally no privilege on the tangible or intangible elements of the Film or its components without the consent of the other party.

Each party further agrees not to grant any right, charge or lien which could obstruct or hinder in any way the effective exercise of the other party's rights as recognized by the present signatories.

Neither party may add or substitute a third producer without the prior written consent of the other party, except in the case specified in Article 8.

The parties agree not to transfer to a third party all or part of their share without the prior written consent of the other party, who could benefit from knowing first about the sale or transfer.

In this case, the party wishing to transfer all or part of its share shall send in writing to the other party by registered letter and recorded delivery, the conditions of the proposed transfer. The other party will then have 15 days from the date of receipt to notify the transferring party of its intention to replace the third party purchaser, otherwise the sale may be concluded with the latter according to the conditions proposed by it. In any event, the transferring party and the third party purchaser will remain jointly and severally liable to the other party for the successful fulfilment of the terms of this Agreement.

Article 4 – Prohibitions - guarantees

Company A shall not grant or delegate to any third party any lien or pledge, and more generally any privilege on the tangible or intangible elements of the Film and its components without the consent of the company B.

It also undertakes not to grant any right, charge or lien which could obstruct or hinder in any way the effective exercise of Company B's rights hereby recognised, including its right to a share of the takings.

Company A promises Company B that the Film will be insured against all “Production” risks, covering mainly the total or partial unavailability of the Director and principal actors during the filming, all “Negative” risks, all “Set, dressings and accessories” risks, all “Hardware and filming” risks.

Such insurance shall cover an amount equal to the amount collected to finance the making of the Film and to pay the director and the principal actors the balance of their fee or salary.

In all cases of total loss preventing the completion of the Film, the insurance shall reimburse each co-producer the total amount invested by him, it being understood that Company B will be entitled on its own to notify the insurance companies and to cash directly the sums owed to it without the presence or the participation of Company A.

Each party is only free to transfer to a third party all or part of the benefit of the present contract if it remains guarantor that the contract will be fulfilled vis-à-vis the other party and after informing the other party of this by registered letter sent recorded delivery.

In the case where Company A would take on one or more other co-contractors, Company A will make its exclusive business to hand back all or part of the shares it had decided to sell to its new partner(s), without affecting in any way the percentage of ownership of rights and revenues assigned to Company B, any decrease in the latter being formally excluded.

Article 5 – Steps / approach to the national authorities

Each party will submit this Agreement to the competent authorities of his country in accordance with national regulation which applies in it and all the necessary documents for this purpose.

In case of refusal or failure to authorize production, this contract will be considered null and void, each party bearing all the expenses it has incurred, or in due proportion to their undivided rights if the expenses were incurred in concert.

The parties recognize that the nature of the Film has been thought up and divided between them so that they can enjoy the national benefits of their respective country concerning the nationality, tax and / or regulatory regime of the Film, in accordance with the bilateral agreement of the and / or the rules of the Support Fund

Subject to the provisions of public order incumbent on the parties, they agree that, in case of unauthorized use or exhibition of the Film, each shall be entitled to refer the matter to the national courts.

(In the appendix (key elements) we shall show the nationality of each element so they can position themselves in relation to the quotas needed to benefit from international conventions and / or support funds)

Article 6 – End credits and publicity

During the making of the Film, advertising will be made by each party in its own country. As stated in Article 1, the cost will be included in the Film's budget.

The parties will agree the broad outlines of the advertising campaign in advance as well as how much it should cost.

The name of the parties will be mentioned in all advertising as well as on the Film's front and end credits, the teaser campaign and trailer, including within the copyright notice, it being generally understood that whenever the name of one of the parties is shown in his capacity as co-producer, the name of the other must appear the same and in the same way.

Article 7 – Legal regime

It is expressly agreed between the parties that this Agreement shall in no circumstances be regarded as a partnership between the parties, the liability of each being limited to the commitments made by it in this Agreement, in consequence of which, in no way can one party be held responsible for commitments made by the other.

This provision is essential and determinant for this Agreement without which it would not have been signed.

Article 8 – Failure to fulfil obligations

In case of the default of one party to perform any of its obligations, including any inaccuracy in its declarations and guarantees, the other party, if a formal notice sent to the defaulting party by registered post and recorded delivery remains unheeded for eight days after its first presentation, will have the right to consider the present Agreement as terminated because of the wrongs and grievances of the defaulting party.

In case of the default of one party over financing the production, especially in case of bankruptcy or suspension of payments, the other party shall have the right, after formal notice sent to the defaulting party

by registered post and recorded delivery has remained without effect for 15 days of its first presentation, to replace the defaulting party by a co-producer of the same nationality who will take on all or part of the latter's rights.

Such substitution shall be in proportion to the amount not funded compared with the defaulting party's original commitment as it appears in this present Agreement and that, subject to any additional damages. The money already invested by the defaulting party shall in any event be treated as a debt repayable:

- by revenue,
- last row
- after recovery of its contribution by the replacing co-producer.

The non-defaulting party shall also be entitled to have priority for the purchase, subject to notification of such intent in the notice above, of all the defaulting party's tangible and intangible rights (including rights to income) against payment of a share of the Film's profits equal to the ratio between the amounts owed by the defaulting party from its own funds and the total cost of production and this, up to the limit of the amounts paid by the defaulting party (having made clear that the benefits mean here the surplus of the net producer takings after the cost of the Film has been covered).

Article 9– Entire Agreement

This Agreement, including its Annexes, constitutes the entire agreement between the parties. It excludes any document and verbal agreement that may have been exchanged between the parties prior to the present, including any memorandum of understanding, letters or statements of intent.

Article 10 – Disputes

To resolve any conflict arising from the interpretation or the application of this Agreement, jurisdiction will be given to the courts of the applicant acting in accordance with their relevant legal rules.

However, the parties agree to first try to resolve their dispute by recourse to an arbitrator appointed by mutual agreement or, in case of conflict, appointed by two respective national arbitrators of their choice.

Article 11 : Choice of address

The head office of each party will be their address

Done at, the.....

TWO copies

Article 5 – Steps / approach to the national authorities

Each party will submit this Agreement to the competent authorities of his own country in accordance with the national regulation applying to it, as well as all the necessary documents for this purpose.

In case of refusal or failure to authorize the production, this contract will be considered null and void, each bearing all the expenses it has incurred, or in due proportion to their undivided rights if the expenses were incurred together.

The parties recognize that the nature of the Film has been thought up and divided between them so that they can enjoy the respective national advantages of their own country concerning the Film's nationality, tax and / or regulatory regime in accordance with the government agreement of the and / or the paying of the Support Fund

Subject to the provisions of public order incumbent on the parties, they agree that, in the case of unauthorized use or exhibition of the Film, each shall be entitled to refer the matter to its national courts.

(In the appendix (key elements), we shall show the nationality of each element so they can position themselves in relation to the quotas needed to benefit from international conventions and / or support funds)

Article 6 – Credits and publicity

The name of Company B will be mentioned in all advertising and, on a separate card, on the Film's credits, the teaser campaign and trailer, including in the copyright notice, provided generally that whenever the name of one of the parties is shown in his capacity as co-producer, the name of the other must appear the same and in the same way.

Article 7 – Legal regime

It is expressly agreed between the parties that this present Agreement shall in no circumstances be regarded as a partnership between the parties, the liability of each being limited to the commitments made by it in this Agreement, in consequence of which in no way can one party be held responsible for commitments made by the other.

This provision is essential and determinant to this Agreement without which it would not have been signed.

Article 8 – Failure to fulfil obligations

In case of the default of one party to fulfil any of its obligations, including any inaccuracy in its declarations and guarantees, the other party, if formal notice to the defaulting party by registered letter by recorded delivery remains unheeded for eight days after its first presentation, will have the right to consider this present agreement as terminated because of the wrongs and grievances of the Defaulting Party.

In case of the default of Company A, Company B will be entitled to be reimbursed all monies already paid in pursuance of the present contract, without prejudice to any additional damages.

Finally, in case of the default of one of the parties, and particularly in the case of bankruptcy or

suspension of payments, the other party shall have priority for the purchase, subject to notification of such intent in the notice above, of all the defaulting party's tangible and intangible rights (including rights to income) against payment of a share of the Film's profits equal to the ratio between the amounts owed by the defaulting party from its own funds and the total cost of the production and this, up to the limit of the amounts paid by the defaulting party (having made clear that the benefits are understood here to mean the surplus of the net producer takings after the cost of the Film has been covered).

Article 9 – The Entire Agreement

This Agreement, including its Annexes, constitutes the entire agreement between the parties. It excludes any documents and verbal agreements that may have been previously exchanged between the parties, including any memorandum of understanding, letters or statements of intent.

Article 10 – Disputes

To resolve any dispute arising from the interpretation or application of this Agreement, jurisdiction will be given to the courts of the applicant acting in accordance with their relevant rules. However, the parties agree to first try to resolve their dispute through an arbitrator chosen by them or, in case of conflict, chosen by two respective national arbitrators of their choice.

Article 11 : Choice of address

The head office of each party will be their address.

Done at, the.....

With 2 (TWO) copies

SHARED APPENDICES

Appendix 1 : Definition RNPP

Appendix 2 : Budget

Appendix 3 : Financial plan

Annexe 4 : Production plan

Appendix 5 : Key elements

ANNEXE 1

DEFINITION OF PRODUCER'S SHARE OF THE NET RECEIPTS

By PBSR is meant, for each country, the gross amounts received by the authorised Company, from which are subtracted:

- the sales commission, capped at % Including commissions of intermediaries, and copyright payments;
- the cost of printing copies, masters and PAD;
- all costs of any kind incurred by marketing and exhibition which remain the responsibility of the production, including the cost of advertising material, the cost of subtitling, dubbing and voice over, foreign charges and taxes, foreign professional dues;
- transportation costs, customs duties, censorship charges;
- amounts for all collaborators on the Film, other than the authors, who are entitled to a share of revenue.