

## FILM PRODUCTION SERVICES AGREEMENT

This Production Services Agreement dated as of -----, 200--- ("Agreement") between ABC Corp. ("ABC"), with its principal place of business located at ----- and XYZ Inc. ("XYZ") with its principal place of business located at ----- is in connection with ABC's feature film production of "-----" (the "Picture").

### 1. Services

Upon the execution of this Agreement by both ABC and XYZ, XYZ shall commence production services on the Picture, which has CGI effect shots of no more than 90 shots. The description of the Production Services to be provided by XYZ and the Production Schedule for the completion of those services is attached as Exhibit "A" hereto.

- A. Any material delay by ABC in delivery of necessary materials (i.e. shooting DV, HD Film), to XYZ, may affect the delivery date set forth in the Production Schedule by not more than the same number of days provided that XYZ shall notify ABC with timely written notice of any such defect in delivery of the previously scheduled delivery of materials to XYZ.
- B. XYZ shall pay and render its subcontract service works following by as Exhibit "C" hereto.

### 2. Compensation

In consideration of the Production Services to be provided by XYZ hereunder, ABC will pay XYZ -----(-----). The compensation shall be paid in ----- (---) installments during the course of the Production Schedule. The initial Payment shall be -----(-----) and will be made no later than -----, 200---. The Payment Schedule is attached as Exhibit "B" hereto.

### 3. Breaches by XYZ

The following events shall constitute a material breach of this Agreement by XYZ and shall entitle ABC to withhold further payments until such breach is cured as set forth herein.

- A. Failure of XYZ to render the Production Services as set forth in Exhibit "A" hereto.
- B. Failure of XYZ to render the Production Services in a timely manner in accordance with the Production Schedule set forth in Exhibit "A" hereto
- C. Failure of XYZ to follow the instructions of ABC.
- D. Failure of XYZ to notify ABC of delivery or posting of elements of the Production Services as provided in paragraph 5 hereinbelow.
- E. Failure of XYZ to adequately perform or complete any necessary and/or directed revisions to the Production Services requested by ABC. It is understood by ABC that excessive revision requests to XYZ may result in production delays and will not cause payments to XYZ to be withheld.

In the event that ABC notifies XYZ of a breach by XYZ, XYZ shall have 10 (ten) business days to cure any such breach. If such breach is not cured within 10 (ten) business days and XYZ has not otherwise taken steps to cure the material breach to the satisfaction of ABC, XYZ will be deemed to be in default of this Agreement and ABC may terminate this Agreement with no further obligation to XYZ. XYZ shall immediately return to ABC any and all materials and compensation provided to XYZ by ABC prior to the date of termination.

#### **4. Approval/Revisions**

ABC shall have the exclusive right to review, edit, make changes, approve or disapprove all Production Services described in Exhibit "A" within 72 hours of written notice to ABC of their delivery or posting by XYZ. If XYZ does not receive a response within the 72-hour time period, a reminder notice will be sent in the form of an email addressed to the Director, Mr. ----- and the Producer, Mr. ----- . Upon the expiration of an additional 24-hour time period, the elements of the Production Services noticed shall be deemed to be approved by ABC.

In the event that ABC requests changes to any elements of the Production Services, XYZ shall use best efforts to make necessary revisions by the next posting day. ABC shall have final approval rights in connection with all key creative elements. Notwithstanding the foregoing, ABC shall grant XYZ meaningful consultation rights in connection with all key creative elements but in the event of a conflict ABC's decision will be final.

## **5. Ownership**

XYZ agrees and understands that all of its officers, directors, shareholders, employees, consultants, agents and affiliates are employed on a "work for hire" basis and subject to Paragraph 3 hereof, ABC shall be the sole and exclusive property owner of all the elements of the Production Services provided by XYZ and the Picture created by XYZ. ABC shall have the exclusive right to own, control, license and maintain all rights to the Picture including but not limited to all the elements of the Production Services.

## **6. Non-Union Protection**

ABC and XYZ acknowledge that this Agreement is not subject to any collective bargaining agreements and that ABC is not a party to any such agreements that might be applicable to the type of services furnished or rendered herein.

## **7. Indemnification**

ABC hereby agrees to indemnify, defend and hold harmless XYZ and its officers, directors, shareholders, employees, agents and affiliates, against any and all suits, losses, liabilities, damages, awards, claims, settlements, costs and expenses, including reasonable attorneys' fees, arising out of or otherwise relating to the Picture that is a direct result of ABC's failure to secure the rights to the screenplay that is the basis for the Picture.

XYZ hereby agrees to indemnify, defend and hold harmless ABC and its officers, directors, shareholders, employees, agents and affiliates against any and all suits, losses,

liabilities, damages, awards, claims, settlements, costs and expenses including reasonable attorneys' fees arising out or otherwise relating to the Picture that is a result of XYZ.

## **8. Notices**

Any notices given under this Agreement shall be in writing and shall be served at the addresses and/or facsimile numbers indicated herein (i) in person by hand delivery, or (ii) by a intentionally recognized overnight commercial delivery service with charges prepaid. Notices may also effectively be given by fax if the party to whom the notice is being sent has an operational fax machine in its office, a confirmation of recipient's receipt of the fax is obtained, and if a complete copy of the notice is also served simultaneously by one of the two methods set forth in the previous sentence. Notices shall be deemed received within one (1) business day from the date of mailing if sent by a internationally recognized overnight commercial delivery service with charges prepaid; personal delivery; or fax and subsequently served by one of the two methods set forth above.

## **9. Limitation of Remedies**

XYZ acknowledges that in the event of a breach of any of ABC's obligations under this Agreement, the damages (if any) caused to XYZ thereby is not irreparable or otherwise sufficient to give rise to a right of injunctive or other equitable relief and XYZ's rights and remedies in the event of a breach of this Agreement by ABC shall be limited to the right, if any, to recover damages in an action at law and XYZ shall not be entitled to any equitable relief to restrict or interfere with the right of ABC to produce, distribute, market or exploit all motion pictures or other productions produced pursuant to this Agreement or contemplated herein (including, but not limited to, derivative works) and the ancillary rights therein or to otherwise exploit or exercise any of the rights granted to ABC hereunder.

## **10. Governing Law**

This Agreement shall be governed by, interpreted under and construed in all respects in accordance with the internal laws of the ----- without respect to its choice of laws irrespective of the place of domicile or residence of any party.

#### **11. Arbitration, Costs and Attorney's Fees**

All disputes, controversies, claims or differences which may arise between the parties, out of or in relation to or in connection with this Agreement, or for the breach thereof shall be settled amicably between the parties, but in the event no amicable settlement can be reached, shall be referred to and finally settled by arbitration in the country of the respondent in accordance with the Arbitration Rules of Arbitration Board/Association of that country. In case the respondent is XYZ, the arbitration shall be held at The Korean Commercial Arbitration Board. In case the respondent is ABC, the arbitration shall be held at the Commercial Arbitration Board/Association of ABC's country. The arbitration panel shall consist of three (3) arbitrators, one (1) of whom shall be chosen by one party (ABC), one (1) of whom shall be chosen by the other party (XYZ), and one (1) of whom shall be chosen by the two (2) arbitrators chosen by Party A and Party B. The award rendered by the arbitrator(s) shall be final and binding upon both parties concerned, and judgment upon the award rendered may be entered in any court having jurisdiction thereof. The parties' obligation under this paragraph to arbitrate shall not preclude either party from making a request to a court for interim protections. If one of the parties does incur attorneys' fees and/or costs to enforce or interpret any provision of this Agreement or is required to defend and any action brought by the other party, based on, arising from or related to this Agreement the party agrees to pay to the prevailing party its reasonable attorneys' fees and costs, excluding in-house attorneys' fees and costs, whether or not litigation is actually commenced.

#### **12. No Waiver of Breaches**

No delay in exercising any right or remedy under this Agreement shall constitute a waiver thereof, and no waiver by a party of a breach of this Agreement shall be a waiver of any preceding or succeeding breach.

### **13. Written Amendments**

No amendments to this Agreement shall be effective unless in writing and signed by each party hereto.

### **14. Severability**

In the event that any portion of this Agreement is held by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, the validity, legality, and enforceability of the remaining portions of this Agreement and the application thereof shall not in any way be affected thereby.

### **15. Enforceability**

Each of the parties represents and warrants that it has the authority and capacity to execute this Agreement. This Agreement is binding upon and shall inure to the benefit of ABC. XYZ understands and agrees that XYZ services in connection with this Agreement are of a unique and personal nature and thus XYZ may not assign or transfer this Agreement to any third party, person or entity.

### **16. Counterparts**

The parties may execute this Agreement, and any modification(s) hereof in two or more counterparts, which shall, in the aggregate, be signed by both parties. Each counterpart shall be deemed an original instrument as against any party who has signed it. A faxed copy of the signature of any of the parties shall have the same force and effect as an original signature of such party.

IN WITNESS WHEREOF, the parties have entered into this Agreement as of the date first written above

ABC Corp.

XYZ Inc.

Name, Title

Name, Title

- Exhibit A    Production Services and production Schedule
- Exhibit B    Payment Schedule
- Exhibit C    Subcontract Service Work