

The following document is AN EXAMPLE ONLY, intended to help you better understand the kind of provisions typically included in this type of agreement. It is not intended as a substitute for consulting with an experienced attorney and receiving legal advice based on the facts and circumstances of a particular case. It also does not necessarily represent the only possible way to structure the business relationship or the range of deal terms that might be available in a particular situation.

It is important to remember that just as every transaction is unique, so is the proper structure of the agreement documenting that transaction. Rarely does a so-called “standard” or “boilerplate” legal form fit the particular needs of the parties to a transaction. When a party says their contract is “standard” what they usually mean is that it is in a format that they are accustomed to using. There is some value in starting from a common ground, but never assume that a “standard” contract is not negotiable. It is all too common for parties to employ a “standard” form agreement without carefully considering the implications of its terms or its failure to address critical issues until a dispute arises. There are those who believe that the process of negotiating the terms of agreements is tedious and is a waste of time and money – they often try to cut corners by employing “standard” forms. However, in our experience the process of careful drafting and thorough negotiation is as valuable (or more so) than the final product. Those who take the time to clearly discuss their expectations, and to memorialize those expectations in a written agreement, forge stronger relationships and are much less likely to find themselves in a dispute later on.

**XYZ PRODUCTIONS
TELEVISION PROGRAM
DEVELOPMENT AGREEMENT
(CO-PRODUCTION)**

1. This Television Program Development Agreement ("Agreement") made effective as of _____, 200_ ("Effective Date") sets forth the terms and conditions under which XYZ PRODUCTIONS ("XYZ") and Dick and Jane ("Co-Producers") agree to work together to develop programming for television.
2. XYZ and Co-Producers agree to work together to research, develop, market, fund, produce and distribute a television program on the subject of [DESCRIBE SUBJECT], as more specifically described in Addendum A ("Program"). Co-Producers agree to work exclusively with XYZ with respect to the Program. A fine-cut of the Program shall be completed by _____, 200_.
3. XYZ and Co-Producers will jointly perform all customary development, pre-production, production and post-production services in connection with the Program. Co-Producers will be primarily responsible for all [DESCRIBE SERVICES such as "production and content-related services (including securing all releases and other clearances) and will have creative control of the Program."] XYZ will primarily responsible for [DESCRIBE SERVICES such as "securing funding and distribution for the Program and will create all marketing materials needed to market the Program."] XYZ and Co-Producers will meet at least monthly to review progress and coordinate efforts.
4. Co-Producers will prepare a line-item budget which will detail the total anticipated cost to produce the Program ("Program Budget"). The Program Budget will be approved by XYZ and Co-Producers in writing. Actual costs shall not exceed the maximum amount allocated in the respective line item of the approved Program Budget without prior approval from XYZ in each instance. Co-Producers shall provide XYZ an accounting of actual costs incurred in connection with the Program at least every six weeks.
5. XYZ will advance up to US\$_____ in cash to pay for actual and verifiable out-of-pocket costs incurred in connection with the approved Program Budget. XYZ and Co-Producers will work together to secure additional funding from third parties. Any such additional funding shall first be applied to pay for actual, out-of-pocket costs incurred in connection with the approved Program Budget, and second to reimburse XYZ for funds it has advanced. XYZ will be entitled to recoup any unreimbursed advance from any Net Revenues or Net Profits derived from the exploitation of the Program prior to any distribution to XYZ or Co-Producers.
6. All in-kind contributions made by XYZ and/or Co-Producers as part of the approved Program Budget (and identified as such) shall be deferred until such time as additional funding has been secured. If such in-kind contributions are not recouped out of the available production funds for any reason, such unreimbursed in-kind contributions shall be paid from any Net Revenues or Net Profits derived from the exploitation of the Program prior to any distribution to XYZ or Co-Producers.
7. As between the parties, all copyrights and other rights, title and interest in and to the Program and any materials derived from or created in connection with the Program, including without limitation, all rights in all forms of television (including without limitation free, syndication, network, basic and/or pay cable television exhibition), theatrical and video exhibition thereof, and all resulting allied and subsidiary rights, shall be owned by XYZ. Dick and Jane agree to promptly execute any documents which may be necessary to perfect copyright ownership of the Program in XYZ upon written request.
8. The opening credit of the Program shall read: "XYZ PRODUCTIONS presents a documentary by Dick and Jane." XYZ's Spot shall be the sole executive producer and will receive on-screen and print credit as "Executive Producer". Dick and Jane shall each receive individual on-screen and print credit as "Producer", "Director" and "Writer" as they shall determine. All credits shall be in accordance with industry standards and subject to the

restrictions of any third-party funding agreements.

XYZ, Dick and Jane shall each be entitled to receive an equal percentage (one-third) of Net Revenues derived from the production, broadcast and other distribution of the Program. Net Revenues shall be defined in the same manner as in any funding agreement with any third-party financing source, if any, that is entitled to share in net revenues. If no such financing source is so entitled to participate in net revenues, then Net Profits shall be defined as gross income received from all sources less all third-party distribution fees and expenses, approved production budget costs, unreimbursed in-kind contributions, residuals, royalties and similar obligations due third parties as a result of distribution activities, and any legal and administrative fees and expenses incurred in connection with the production and distribution of the Program. The requirements of this provision shall survive the termination or expiration of this Agreement.

9. Each party to this Agreement warrants and represents to the other parties that it or he is fully ready, willing and able to perform services hereunder, and is free to enter into this Agreement; that all material conceived or furnished by it or he will be either its or his own creation or fully cleared for such use, and that such material will not violate or infringe upon any rights of any nature whatsoever of any person, firm or corporation. Each party shall indemnify and hold the other parties harmless from and against any claims, actions, suits, cost and other liabilities (including reasonable attorney's fees) incurred by the other arising out of any breach or alleged breach of the above-mentioned warranties and representations.
10. It is the intent of XYZ and Co-Producers to jointly produce the Program. If, for whatever reason, and upon the unanimous approval of each party, the Program is not co-produced by the parties, each party who does not participate in the production ("Non-Participating Party") agrees that each remaining party ("Participating Party") shall have the exclusive right to produce the Program without the other's participation subject to the following:
 - a. The immediate payment to the Non-Participating Party of its unreimbursed, verifiable and approved out-of-pocket costs incurred in connection with the development and production of the Program, if any;
 - c. The Non-Participating Party's perpetual receipt of one third of Net Revenues and/or Net Profits actually received by the Participating Party or Parties, if any, from the Program;
 - e. Receipt by the Non-Participating Party of a "co-created by" credit in the Program, subject to any restrictions in any third-party production agreement for the Program.

Notwithstanding the above, the parties shall collaborate in good faith to develop and produce the Program. The requirements of this provision shall survive the termination or expiration of this Agreement.

11. This Agreement contains the full and complete understanding between the parties, supersedes all prior oral or written agreements between the parties pertaining to the Program, and cannot be modified except by a written instrument signed by the parties. This Agreement shall be governed by the laws of the State of Texas and may not be assigned without the prior written consent of all of the parties.
12. It is agreed and understood that the relationship between the parties is that of an independent contractor. Accordingly, each party shall be responsible for payment of all of its or his own taxes and insurance applicable under existing laws, including, but not limited to, social security taxes, and federal, state and city income taxes. The parties further acknowledge that no employer/employee or agency relationship is formed hereunder. Nothing in this Agreement shall be construed as to prohibit any of the parties from pursuing other development, pre-production or production related activities, except to the extent such other activities would conflict with its or his duties and requirements hereunder.
13. Any ideas, information, formats, methods, procedures, programs, data, or other matter which may be disclosed by one party to another, or which one party may learn or observe in the course and scope of its or his work hereunder ("Confidential Matter"), including but not limited to pricing, business strategies, cost structure, rate card information, client lists, employment and consulting contract terms, salaries, fees, bonuses or any other compensation, are private, confidential, and proprietary trade secrets belonging to each party, respectively. Each

party makes the Confidential Matter available hereunder in strict and complete trust and confidence. Each party shall hold the Confidential Matter in trust and confidence, shall not make any copies of the Confidential Matter, shall not disclose the Confidential Matter to third persons, and shall not use the Confidential Matter at any time except with the prior written permission of the other party other unless such use or disclosure is necessary for the successful completion of the services contemplated by this Agreement. This provision shall survive the expiration or termination of this Agreement.

14. All rights and remedies which each party may have under this Agreement or by operation of law are cumulative and the pursuit or waiver of one right or remedy shall not be deemed an election to waive material or renounce any other right or remedy.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date and year first written above.

XYZ PRODUCTIONS

By: Spot
Its: President

Date: _____, 200_

CO-PRODUCERS

Dick

Date: _____, 200_

Jane

Date: _____, 200_

ADDENDUM A
TO
XYZ PRODUCTIONS
TELEVISION PROGRAM
DEVELOPMENT AGREEMENT

[Attach Program Treatment Here]