

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.

## TELEVISION OPTION AGREEMENT

This Option and License Agreement ("Agreement") is made effective as of the \_\_\_\_ day of \_\_\_\_\_, 200\_ ("Effective Date") by and between XYZ Productions, \_\_\_\_\_, ("Producer"), and ABC Company, \_\_\_\_\_ ("Licensor") with respect to \_\_\_\_\_ (the "Work").

In consideration of the mutual covenants contained in this Agreement, the sufficiency of which is acknowledged by the parties, Producer and Licensor agree as follows:

1. Licensor grants to Producer the exclusive right to create, develop, produce or co-produce, and to license or sell to any other producer, broadcaster or distributor, one or more television programs or series of programs (the "Program") based on and/or incorporating, in whole or in part, content and material published by Licensor including, but not limited to, \_\_\_\_\_ (the "Work"), including all allied rights in the Program, and including the right to use its trademarks, including the mark "\_\_\_\_\_" and any other trademarks or slogans owned by it, and any copyrighted material it may own, in the Program and for program publicity and promotional purposes in connection with the Program, including, without limitation, any and all types of print or broadcast advertising materials in any media for the purposes of advertising or promoting the Program. Any rights not granted under this Agreement, including but not limited to any other rights to the Work shall be retained by Licensor. The rights granted to Producer under this Agreement shall be granted for a period of \_\_\_\_\_ (\_\_) years from the Effective Date.
2. In exchange for the rights granted under this Agreement, Producer agrees to pay Licensor the sum of \$\_\_\_\_\_ per program as follows: \$\_\_\_\_\_ due on the first day of the sixth month after the Effective Date of this Agreement; and \$\_\_\_\_\_ on the effective date of any license or sale of the Program. An additional payment of \$\_\_\_\_\_ shall be paid on the effective date of any license or sale of each additional Program or Programs.
3. Licensor agrees that all right, title and interest in the Program and all materials created by Producer in connection with the Program belong solely and completely to Producer and its successors, licensees or assigns, for universal, perpetual use in any manner and media whatsoever without limitation or restriction (including without limitation any and all broadcasting, cable-casting, web-casting, audio-visual use, exhibition or any other purpose, whether now known or hereafter devised).
4. Producer shall use its best efforts to include credit for Licensor in the Program in accordance with industry standards, to credit Licensor's \_\_\_\_\_ as "consulting producer" in connection with the Program, and to provide at least one verbal mention of the Work in each Program produced under this Agreement; it being understood that the inclusion of such credit is subject to Program time constraints, broadcaster requirements, and other such limitations which may be imposed by a Program licensee, purchaser or distributor, and that may prohibit Producer from including such credit in the Program or in any version of the Program.
5. Producer shall provide one courtesy Beta SP copy of the final version of the Program to Licensor for use for internal company purposes and for use in and at industry trade shows via closed circuit means, subject to any prohibitions, restrictions or limitations which may be imposed by a Program licensee, purchaser or distributor.
6. Licensor represents and warrants that it is the sole and exclusive owner of the Work, that it has the legal right and power to grant the rights granted in this Agreement, and that the grant of such rights will not conflict with or violate any commitment or understanding Licensor has with any other person or entity, nor will infringe on any rights of intellectual property, privacy or publicity of any other rights of any person or entity.
7. Licensor agrees to indemnify and hold Producer, its successors, licensees and assigns, harmless against any and all claims, losses, expenses and liabilities of every kind, including reasonable attorneys' fees, arising out of any inaccuracy or breach by Licensor of any provision of this Agreement. Licensor agrees not to bring any action or claim against Producer, its successors, licensees or assigns, or to allow others to bring such an action or claim,

based on the Program or the use of the Work in the Program. Licensor releases Producer, its successors, licensees and assigns, from any and all such claims that Licensor may have now or in the future.

8. Producer agrees to indemnify and hold Licensor, its successors and assigns, harmless against any and all claims, losses, expenses and liabilities of every kind, including reasonable attorney's fees, arising out of the pre-production, production and broadcast of the Program, any act or omission on the part of Producer, or any other failure of Producer to comply with the obligations of Producer under this Agreement.
9. Producer may terminate this license and relinquish all rights granted under this Agreement at any time by providing written notice to Licensor. On termination, Producer shall be under no further obligation to Licensor, including the obligation to pay any compensation which may become due after the date of termination.
10. In the event that Producer does not commence production of the Program within eighteen (18) months from the Effective Date, all rights granted under this Agreement shall automatically revert to Licensor and all rights Producer may have under this Agreement shall automatically terminate.
11. Producer may freely assign this Agreement, the rights granted hereunder, and any of its duties or obligations hereunder without limitation.
12. The terms and conditions of this Agreement are confidential. Licensor shall not disclose the terms and conditions of this Agreement or make any announcement to any other person or entity concerning this Agreement or the Program without first coordinating with Producer. Licensor may promote the Program at its expense and use the title and associated trademarks for the Program in connection with such promotion, subject to any restrictions which may be imposed by a Program licensee, purchaser or distributor. The provisions of this paragraph shall survive expiration or termination of this Agreement.
13. This Agreement represents the entire understanding of the parties and may not be amended unless mutually agreed to by the parties in writing. The laws of the United States and the State of \_\_\_\_\_ shall govern this Agreement. Nothing herein shall create a partnership, joint venture or similar relationship between the parties and neither party shall have the right to bind the other without its consent. The failure by a party to insist on strict performance of this Agreement or its terms and conditions shall not constitute a waiver of any right and remedies that such party may have or a waiver of any subsequent breach of any term or condition of this Agreement. The parties agree to enter into a long form agreement if required by any licensee or distributor and to execute any additional documents which may reasonably be required to effectuate the meaning and intent of this Agreement.

AGREED TO:

XYZ PRODUCTIONS

\_\_\_\_\_

Date: \_\_\_\_\_, 200\_

By:

Its:

COMPANY

\_\_\_\_\_

Date: \_\_\_\_\_, 200\_

By:

Its: