

Model contract for F E A T U R E F I L M S
Danish Film Directors

(hereinafter called the 'Producer')

and

(hereinafter called the 'Director')

have on this day – on the condition that the Production budget has been financed – entered into the following:

DIRECTOR'S AGREEMENT

1. The film

The Producer shall hire the Director to direct a **feature film** with the following working title:

(hereinafter called the 'Film')

The Film shall be based on:

1) literature or another source:

by:

The film rights in respect of the story have been transferred under a separate agreement between the Producer and the holder of the rights.

2) original idea by:

manuscript by:

and script/storyboard by:

Screen time is provisionally fixed at: _____ minutes.

Film format:

2. Term

The Director's work shall comprise preliminary work / filming / post-production work / release that

has been agreed at a total of _____ weeks during the contract term.

The work has been planned in the following way:

Research and casting from _____ to _____ totalling _____ weeks

Preparation from _____ to _____ totalling _____ weeks

Filming from _____ to _____ totalling _____ weeks

Post-production work from _____ to _____ totalling _____ weeks

Release from _____ to _____ totalling _____ days

The Director shall work on the Film - within the agreed time and pay framework - until a fully mixed and approved A copy is available. The work may be prolonged on the conditions specified in this Agreement and in accordance with the agreed weekly rate for up to _____ weeks after the agreed end date.

The Director shall not within the agreed time frame undertake other work which does not respect the Director's obligation to work on this Film as a first priority and without obtaining the consent of the Producer.

3. Pay

For the performance of the work, the Director shall receive a **minimum pay of**

DKK _____ for script/storyboard

DKK **12,000** per week during the preliminary work

DKK **18,000** per week during filming

DKK **12,000** per week during post-production work

DKK _____ for release work

per 37-hour work week.

Total pay: DKK _____

Holiday allowance shall be paid on the basis of the pay pursuant to the Danish Holiday Act (*Ferieloven*) in force from time to time.

A pension contribution of at least 7.6 per cent of the pay shall also be paid.

In addition to his/her fee, the Director shall receive an investment share of the Film -
Yes **No** .

Once the final financing plan for the Film is available, the investment share shall be calculated as a percentage relative to the Film's other financial contributions, categorised as investment contributions. The share shall be paid on a pro rata basis and pari passu with other investment contributions without any time limit from such share of the Film's earnings as is to be distributed among the Film's private investors.

In addition to his/her fee, the Director shall be paid a bonus corresponding to ____ per cent of unused uncertainty margin, also called contingency / overhead. The uncertainty margin for the Film has been fixed at DKK_____.

The pay shall be paid in the following way:

4. Special provisions

5. Job description

The Director shall make the Film which includes the following functions:

1. Preparation of script/storyboard.
2. Research, choice of executive functions on the technical team, casting, any reading and arrangement rehearsals, approval of image and sound concept as well as approval of production and release schedules in collaboration with the Producer.
3. Direction
4. Planning and approval of editing and sound, selection and approval of music, final mixing, laboratory contact as well as approval of first copy of the Film in collaboration with the Producer.

In addition, the Director shall:

Participate in the release which includes approval of release concept, approval of final title, stills, poster and trailer. The Director shall be available in connection with press showings, interviews etc., unless other engagements prevent this. Engagements shall mean other work

tasks, planned holiday and the like. The Director shall receive a reasonable fee for his/her efforts in this respect.

6. Liabilities and obligations

The Director shall assume the overall artistic responsibility for the Film.

The Producer shall assume the overall financial and administrative responsibility for the Film.

The Producer and the Director shall on a continuing basis consult each other in relation to significant issues concerning the Film, including cast, format, length, colour, censorship category, budgets, production plan, locations, laboratory, the title of the Film, post-production planning, mixing, planning of release etc.

The Director shall to the best of his/her ability – and in accordance with the Producer’s instructions – carry out his tasks in such a manner that the most optimum utilisation of production time, staff and equipment is achieved.

In the event that the deadline or the budget is exceeded, the Director and the Producer shall together make the necessary changes and reductions and jointly decide how possible savings can be achieved.

The Producer shall be obliged to clearly credit the Director in the Film’s opening credits and end credits as well as in advertisements and other material published in connection with the Film, including but not limited to websites, billboards, posters and DVD covers.

7. The Producer’s rights

The Producer shall have the exclusive right, unlimited in terms of time and geography, to make copies of the Film in its final form and for publication of the Film by means of commercial distribution for use in cinemas, on videotape and television etc., be it in the form of lending, rental, sale or retransfer, cf. Clause 15.

The Producer shall furthermore be assigned the right of (check relevant box):

- own remake against agreed payment _____
- sale of remake rights to a third party against agreed payment _____
- own concept remake (use of universe and characters) against agreed payment _____

- sale concept remake to a third party against agreed payment _____
- sequencing (follow-up with new works in series form) against agreed payment _____

- use of clips for other purposes against payment, cf., however, Clause 8(2) _____
 - merchandising against agreed payment _____
 - publication and showing of the Film via VOD against agreed payment
-
- publication and showing via mobile telephony against agreed payment
-
- sale of clips at DKK 2,500 per commenced minute per clip.

Prior to the exercise of the above-mentioned rights, the specific conditions for the exercise shall be negotiated in accordance with standard industry practice. The rights acquired by the Producer in Clause 7 concerns the primary utilisation of the Film and does thus not exclude the Director's right to receive payment pursuant to Clause 11 and other similar collective agreements that may comprise use of the Film.

The Producer shall be entitled to co-produce the Film together with one or more co-production companies, Group-related or external companies, as well as assign the rights acquired under this Agreement in whole or in part to any third party provided that the third party confirms his/her intention of respecting this Agreement. Such assignments shall not result in royalties.

8. The Director's rights

The Film may be distributed in divided form subject to prior agreement with the Director. Any other changes to the Film shall only be made subject to prior written agreement with the Director.

Insertion of logos as well as interruptions for commercials shall only be made in accordance with best practice with the respect for the Director's droit moral, cf. Section 3 of the Danish Copyright Act (*Ophavsretsloven*) and only if the Director at the time of the contract drafting has consented thereto.

Ideas, text parts or clips, including outtakes from the Film, including use of script/storyboard, shall not be used for other purposes or in other contexts without prior agreement with the Director.

The Director may have copies (film, videotape, DVD etc.) made of the Film at cost for his/her own personal use (the first twenty, however, free of charge).

The Producer shall invite the Director to A film festivals if the Film is entered into a competition.

All non-assigned rights shall remain with the Director.

9. Accounts

The Director has been made aware of the Production budget of DKK _____ as well as the stipulated Financing plan, which are both enclosed with this Agreement.

The Producer shall keep accurate accounts of the income and expenditure of the Film in accordance with good accounting practice.

The Director shall receive weekly cost reports during the entire production process.

The Producer shall submit the following accounts material to the Director:

- (a) Production and release account, audited by a state-authorized public accountant no later than six (6) months after the Film has opened.
- (b) Quarterly written statements of income from the Film during the first twelve (12) months after the film has opened, audited by a state-authorized public accountant.
- (c) Hereafter, annual, detailed statements audited by a state-authorized public accountant.

Reference is also made to the rules in Section 57 of the Danish Copyright Act.

10. Royalties

For the use of the rights, cf. Clause 7, the Director shall receive royalties of a minimum of 5 per cent of the income generated by the Film from the time when the private investment in the Film has been recouped.

When the private investment with an addition of 100 per cent has been recouped, the royalty rate shall be increased to a minimum of 10 per cent.

When the private investment with an addition of 200 per cent has been recouped, the royalty rate shall be increased to a minimum of 15 per cent.

When the private investment with an addition of 300 per cent has been recouped, the Director's royalties shall be fixed at a final rate of a minimum of 25 per cent.

In addition to the private investment, documented, reasonable and relevant copying and release costs can be deducted. However, these costs shall not exceed 30 per cent of the total costs. The release budget approved by the parties totals DKK _____. Both items shall be offset against any subsidies from the Danish Film Institute.

The income from the Film shall be settled in accordance with Clause 4.11.4 of the Danish Film Institute's terms and conditions of 1 October 2008 governing financial support. In respect of distribution fees, reference is made to Clause 4.13 of the same terms and conditions of support.

The private investment made in the Film shall be settled in accordance with Clause 4.13.3 of the Danish Film Institute's terms and conditions of 1 October 2008 governing financial support. The private investment in the Film shall be considered an investment in the Film made by the Producer, independent co-producers and other independent investors with a view to generating a return. Any presales, contributions from foundations or other film institutes cannot be part of the private investment. The size of the private investment shall be settled on the basis of the approved production accounts.

Out of the presales included in the financing of the Film, no separate royalties shall be calculated. An assessment of the overall presales volume shall be included in the fixing of the Director's pay, cf. Clause 3.

Royalties shall be paid twice a year during the first twelve (12) months following the premiere of the Film on the basis of the income generated by the Film during the previous calendar half-year. Royalties shall subsequently be paid once a year on 31 December on the basis of the income generated by the Film during the previous calendar year.

11. Secondary fees

The parties shall retain their right to fees in pursuance of Sections 13, 17, 35 and 39 of the Danish Copyright Act and similar foreign or international rules in force from time to time. Copies of the Film made for public institutions etc. shall not be comprised, cf., among others, Section 13 of the Danish Copyright Act.

Any fees in respect of rental and lending as defined in EU Directive of 19 November 1992 on rental right and lending right shall be comprised by the royalty provisions of this Agreement. This shall not affect the Director's right to any future library fee for video/DVD lending paid directly to directors, cf. the library scheme.

Broadcasting in television shall only mean the primary public showing in Denmark (i.e. excluding cable and satellite distribution, television for public showing and other secondary showings).

Any prize money awarded to the Film shall be considered to be prize money for the Director and shall thus accrue to the Director in full.

12. Illness etc.

In the event of the Director being dismissed due to illness, or if the Director should, for some other legitimate reason, be unable to complete the Film, the Producer and the Director shall, if possible, together appoint a new Director to undertake the work.

The Director shall be entitled to receive a proportional pay, and if filming has commenced, royalties for the work carried out and any wishes of the Director with regard to crediting shall be respected.

13. Maternity leave

Female directors shall be entitled to four (4) weeks' minimum pay of DKK 5,711 before the expected date of birth. After having given birth, the director shall be entitled to two (2) weeks of (statutory) leave at a minimum for DKK 5,711 per week and a further eighteen (18) weeks' minimum pay of DKK 5,711 after which period the director can receive maternity pay for the remaining maternity leave period.

14. Transportation, travel etc.

The Director shall pay for his/her own transportation to and from the production address in his/her own town/city.

The Producer shall pay all other transportation costs and all travel costs in accordance with the rates of the Danish state.

The Producer shall also pay for accommodation and food during travel according to account rendered.

Any arrangements that the Director makes in this respect shall be subject to agreement with the production management.

Special agreements

15. Termination or postponement of contract

If the Production budget has been financed, and the Producer has started the Film, but has to postpone it for reasons that cannot be held against the Director, the Director shall receive pay for any work performed as well as DKK _____ per week during the postponement period which is stipulated at _____ weeks.

If the Producer in the same situation chooses to abandon the Film, the Director shall receive the agreed contract sum.

The Director shall have the option of attempting to realise the Film in another way and shall make efforts to respect and to the widest possible extent have the Producer's investment reimbursed according to the Producer's audited accounts.

16. Breach and bankruptcy

If either party through a wilful act or gross negligence fails to fulfil his/her obligations under this Agreement and thus becomes guilty of material breach of contract, the other party shall be entitled – after having notified the other party of such breach – to terminate the Agreement by recorded delivery stating the breach upon which the termination is based. The parties agree that non-payment of fees as well as royalties owed shall constitute material breach.

In the event of the Producer failing to pay due amounts for more than ten (10) days following the receipt of a reminder sent by recorded delivery by the Director, all the Producer's rights

shall lapse in future following the submission of a recorded delivery to this effect from the Director to the Producer. The Producer shall, however, be entitled to reacquire the rights at any time through the payment of the due amounts with the addition of default interest as from the due date.

In the event of bankruptcy or the suspension of payments, all the Producer's rights shall lapse thirty (30) days after the filing of a petition in bankruptcy or the application for a suspension of payments, unless a full and satisfactory guarantee has been furnished that all due amounts, including for the period prior to the filing of the petition or the application, will be paid as such amounts fall due.

17. Assignment and protest

The rights set out in this Agreement shall vest in the Producer on the condition of the Producer's correct and timely payment of the fees, percentage shares and royalties set out in Clauses 3 and 10.

The Director's condition for transferring the right of use and remedies under this provision shall also apply in relation to the Producer's partial or universal successors in the rights to the Film, it being a condition, however, that all claims and communication to the Producer can still be made to the Producer with binding effect on the Producer until the Director by recorded delivery has been informed of the succession, stating a representative for the successor domiciled in Denmark to whom communication and claims can be made in future with binding effect on the successor.

Any violation of the Director's/Film's rights by a third party shall be protested by the Producer and such legal proceedings as may be required as a result thereof shall be instituted by the Producer. The parties shall be obliged to inform each other of any such violations which may come to their attention.

18. Venue

Any disputes concerning the understanding of this Director's Agreement, its performance or termination shall – if such disputes cannot be settled amicably – be settled by

_____ an ordinary court of law in Denmark.

_____ arbitration in accordance with the applicable rules.

This Agreement shall be prepared in three (3) identical copies, each party receiving one copy and a copy shall be submitted to Danish Film Directors.

COPENHAGEN,

The Producer

The Director