



GET SUCCESS TV

INDEPENDENT TELEVISION PRODUCTIONS

Explanatory Notes: Broadcast Production Agreement

The following does not form part of the Broadcast Production Agreement and only serves as explanatory notes.

1) Production of Programme

- b) *The Production Budget & Scope document (found in Schedule A), assists both parties in defining as precisely as possible what the finished production will consist of and all the costs it will entail.*

2) Authority of Producer

This section generally sets out the respective contributions required by the parties.

3) Services and Deliverables to be Provided by The Client

The two key contributions that The Client will be required to make to the Producer are the granting of any intellectual property rights necessary to produce the television programme, together with the delivery of the creative materials to be incorporated in the Programme, and the rights to do so. Other contributions of the Television Producer may vary widely depending on the nature of the production and the arrangement between the parties. Finally, the Producer will need the collaboration of The Client in the development of the creative aspects of the production.

4) Grant of Rights and Copyright Ownership

- a) *This provision states that The Client remains the owner of the television production, not withstanding the grant of certain rights in the Program to the Producer necessary for the production of the programme.*
- b) *In order for the Producer to create the production, The Client will be required to provide certain creative elements to be included in the production and grant to the Producer non-exclusive intellectual property rights together with the waiver of moral rights in the materials to do so.*

- c) *In the process of producing the television programme, the Producer may develop proprietary software and/or original creative content which the parties intend to be incorporated into or use in relation to the televised programme. The Producer will want to make it clear that it owns the proprietary software and has the right to use it in other projects and exploit it separately from the televised programme with no revenue sharing by The Client.*

5) Credits

This section sets out the location and appearance of each of the parties' respective production credits as precisely as possible. It should be noted that the credits are subject to the licensing Broadcaster's approval.

6) Net Profits

The Producer is in control of its exploitation and therefore is the logical party to collect and remit the revenue according to any revenue sharing arrangement with The client. The parties agree to the specific allocation of the "Net Profits" which are defined as being all gross revenues following the deduction of the various costs and expenses set out.

7) Records and Accounts

This section sets out for The Client that the Producer is contractually obliged to keep satisfactory accounts and in the case where revenue may be generated from the televised production, provide statements of any revenue received and pay the appropriate portion of the revenue to the other party on a regular basis. It also reassures The Client that they retain the right to inspect the accounts of the Producer in order to protect its interests and enforce its rights under contract to receive its share of revenue earned.

9) Representations and Warranties

This section represents the fact that both parties have an interest in ensuring that the television production will not breach any law or any third party's rights. It also protects The Client's brand.

In any case, both parties know that each will likely be named in any third party suit brought against the television production, and therefore the representations and warranties become a critical part of the Agreement since each agrees to indemnify the other for any costs or losses associated with a breach.

12) Termination

Termination clauses are necessary to allow each party to treat the contract as at an end upon the occurrence of a specified event. A “curing” period has been included to allow a party notified of a breach to fix it to the satisfaction of the other party before the termination will be effective. Finally, adequate notice should be provided to allow the party in breach, a meaningful opportunity to solve the problem before the termination takes effect.

13) Ownership and Reversion of Rights on Termination

This provision is to make clear that upon termination of the Agreement, the respective parties shall retain ownership of all of the assets and intellectual property rights it had prior to entering into the Agreement with the other party and to set out how the various grants of rights and licenses made pursuant to this Agreement will revert automatically to the grantor upon termination.