Deal Memo for the acquisition of the international distribution rights

Licensor: [redacted] **Address:** [redacted] **E-mail:** [redacted] **Telephone** [redacted] **Vat nr.: NA** **Co-Licensor:** [redacted] **Address:** [redacted] **E-mail:** [redacted] **Telephone:** [redacted] **Vat nr.: NA**	**Licensee:** [redacted] **Address:** [redacted] **E-mail:** [redacted] **Telephone:** [redacted] **Vat nr.:** [redacted]
Title: [redacted]	**Territory:** World excluding Ukraine
CFO: [redacted]	**Licensed Language Versions:** Original language version and all language versions subtitled, dubbed and/or voice over.

Term: Starting on signature of this deal memo and continuing for 4 years. Licensee can license the Distribution Rights within a term ending 5 years after the end of the distribution Term if Licensor approves.

Licensed Rights	Holdbacks	Exclusive	Non-Exclusive
Festivals screening rights		X	
Non-Theatrical/ Non-Commercial/ Special screenings*			x
Theatrical rights		x	
TV rights – Free TV, Pay TV – satellite, terrestrial, cable, digital, passenger transport rights		X	
Transmission Rights –T-VOD: Vimeo is not part of the deal and can be exclusively hold by Licensor		X	
On Demand Rights/ S-VOD/ A-VOD/ F-VOD/ P - VOD		X	
Educational rights		X	
DVD distribution			x
Rights to Advertise and use Excerpts, dubbing rights		X	

Additional Term:
Licensee is authorized from Licensor to exploit the Rights in its completeness and has the full power to license these to third parties without prior approval of Licensor. Licensee is allowed to sell the rights through intermediaries and sub-agencies. Eventual sub-license fees and costs are deductible expenses.
All Gross Receipts from all rights can be cross-collateralized with any kind of Distribution Costs relative to this agreement.
The deal with [redacted] is not part of the deal with [redacted]. The licensor here grants that [redacted] will not air the film earlier than 12 months after IP.

*Non-commercial special screenings are non-exclusive subject when organised:
1. in the territory of Canada and United States of America 2. one non-commercial charitable screening for United Kingdom.
Such screenings should not harm the festival or sales activities and are strictly non-commercial and charitable oínly. Licensor here grants to inform [redacted] in advance before each screening.

Allocation: Licensee shall initially deduct and retain from the Gross Receipts all the distribution costs related to exploitation on the rights. After recoupment of the costs Licensee retains Thirty 30% percent Distribution Fee of Gross Receipts from sales and Forty 50% percent from festival screening fees. Licensee will sent the net revenues to licensor every six months together with reports but only when the net revenue is more than 50 Euro (fifty).	**Minimum Guarantee:** NA Reports on festivals and sales activity shall be sent within thirty days after semester´s end (30.6., 31.12.)
Accounting: annually.	**Maximum P&A Budget:** Distribution deductible costs capped to 3.000,00 Euro (threethousand) and to be discussed and approved by licensor in advance.

Deductible Costs: promotion at festivals, press agent, promotional and press material, screening material (DCP, Blu-ray… etc), shipping costs, bank fees, taxes, legal costs, sub-license and agency fees.

Materials (from Licensor): International Press-book, Advertising Material, International Poster, International Post-card, International Trailer, Photos, International DCP/Blu-ray (with English Subtitles), Dialogue List, Sub-titles List, Extras, Certificate of Origin, Music Cue Sheet.

Warranty: Licensor represents and warrants that it has full power to distribute exploitation rights to the Picture and that it has not made any other agreement which might interfere with the exploitation of the Rights. Licensor shall hold Licensee harmless against any claim, damages, liabilities, costs and expenses, including reasonable counsel fees, arising from actions by third parties with respect to the Rights granted by Licensor herein.

The parties intend to prepare and sign a formal agreement incorporating the above terms and the General Terms and Conditions. Until such agreement is signed this Deal Memo will be the binding agreement of the parties, exclusively governed by the laws of [redacted] (country).

This Agreement may be amended, modified or integrated in writing only.

Kiev, XXth ….. 2018

Prague, xx[th]…… 2018

[redacted]

[redacted]