**SCRIPT OPTION/PURCHASE AGREEMENT**

This contract, when countersigned by you, will confirm the agreement between YOUR PRODUCTION COMPANY NAME ("PURCHASER") and JOHN Q. PUBLIC ("WRITER") for the acquisition of that original screenplay entitled "YOUR FILM NAME HERE" (hereinafter called "the Literary Property'').  As used herein, the reference to "PURCHASER" includes PURCHASER's assignees.

1. OPTION. In consideration of PURCHASER's effort to produce the literary property, WRITER hereby grant to PURCHASER a Six Months exclusive and irrevocable option to acquire any and all motion picture, allied and ancillary rights in order to develop and produce an original motion picture based on the Literary Property ("the Picture'') and exploit the Picture and all rights acquired herein.  The initial option period shall commence on the date of WRITER's and PURCHASER's execution hereof, and may be extended for an additional Six Months period by the giving of written notice and the payment to WRITER of $100,000, applicable against the purchase price, at any time prior to the expiration of the initial option period.

2. ACQUISITION AND  COMPENSATION: If PURCHASER timely exercises its option and pays the Purchase Price during the option period, including any extension, the following terms shall apply:(a) The WRITER shall grant to PURCHASER the right to produce an original motion picture including remakes and sequels, television long-form and series rights, and 7,500 word promotional publishing rights and ancillary rights thereto.

(b) The PURCHASER, or its assignee, shall pay WRITER a Purchase Price of \_\_\_\_\_\_\_ percent (\_\_\_\_%) of the film's negative cost (exclusive of financing costs), with a floor of $\_\_\_\_\_\_\_\_ and a ceiling of $\_\_\_\_\_\_\_\_.

(c) In addition to the aforesaid Purchase Price, WRITER shall receive Bonus compensation as follows:

i. Budget Bonus: If a motion picture is produced based on the Literary Property with a final production budget of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ dollars ($\_\_\_\_\_\_\_\_) or more, and if WRITER  receive sole or shared screenplay credit, a bonus of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ dollars ($\_\_\_\_\_\_\_\_\_\_), shall be paid to WRITER, payable 90 days after the first day of principal photography.

ii. Box Office Bonus: If a motion picture is produced based on the Literary Property, and if WRITER receives sole or shared screenplay credit, and if the Picture generates U.S. theatrical box office receipts of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ dollars ($\_\_\_\_\_\_\_\_\_\_) or more in the first year of theatrical release, then an additional bonus of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ dollars ($\_\_\_\_\_\_\_\_\_\_) shall be paid to WRITER.

**(REPLACE THESE RATES WITH YOUR OWN RATES OR CURRENT WGA RATES)**(d) For any sequel produced based on the Literary Property, in whole or in part, PURCHASER will pay or cause WRITER to be paid one-half (½) of the original compensation payable under Subclauses 2(b)  and 2(c) of this agreement; and for any remake produced based on the Literary Property, in whole or in part, PURCHASER will pay or cause WRITER to be paid one-third 1/3 of the original compensation payable under Subclauses 2(b) and 2(c) of this agreement.  The compensation described in 2(b) shall be paid to WRITER upon commencement of principal photography of any such sequel and/or remake.

(e) For any television series produced, based on the Literary Property, PURCHASER will pay or cause to be paid to WRITER the following royalties per initial production upon completion of production of each program: programs up to 30 minutes--$1,500; over thirty (30) minutes but not more than sixty (60) minutes--$1,750; over sixty (60) minutes but not more than ninety (90) minutes--$2,000; over ninety (90) minutes--$2,500; and in addition to the foregoing, as a buy out of all royalty obligations, one  hundred percent (100%) in equal installments over five (5) reruns, payable within thirty (30) days after each such rerun, or subject to the WGA minimum, whichever is greater.

(f) PURCHASER shall pay WRITER a percentage participation of four percent of one hundred percent (4% of 100%) of the net profits (including all allied rights and exploitation of ancillary markets) of each motion picture and television program or series based on the Literary Property if WRITER receives sole Screenplay credit.  If WRITER receives shared credit, she shall receive two percent of one hundred percent  (2% of 100%) of the net profits. The percentage participation shall be defined in the same as the net profit participation granted to PURCHASER.

(g) EMPLOYMENT OF WRITER: If in Producer's sole discretion, Producer decides to have the script re-written, WRITER will be offered the first opportunity to be employed to do a re-write for a flat fee of $\_\_\_\_\_\_\_\_\_\_, which shall be  full and complete compensation for WRITER. Producer shall have no obligation to employ WRITER for any subsequent rewrites or polishes. Any work created by WRITER for such a rewrite shall be a work for hire and all rights to WRITER's work shall be owned by Producer or his assignee.

All of the sums set forth as compensation in this paragraph are for the total amount of monies payable by PURCHASER.

3. REPRESENTATIONS AND WARRANTIES:  WRITER hereby represent and warrant that: WRITER has the sole, exclusive and unencumbered ownership of all rights of every kind and character throughout the world in and to the Literary Property and (a) the Literary Property was written solely by and is original with WRITER; (b) neither the Literary Property nor any element thereof infringes upon any other literary property; (c) the production or exploitation of any motion picture or other  production based on the Literary Property will not violate the rights to privacy of any person or constitute a defamation against any person, nor will production or exploitation of any motion picture or other production based thereon in any other way  violate the rights of any person; (d) WRITER owns all rights in the Literary Property as specified hereinabove free and clear of any liens, encumbrances, claims or litigation, whether pending or threatened; (e) WRITER has full right and power to make and  perform this agreement; and (f) the Literary Property has not previously been exploited as a motion picture, television production, play or otherwise, and  no rights have been granted to any third party to do so. WRITER hereby indemnifies PURCHASER against any loss or damage (including reasonable attorneys' fees) incurred by reason of any breach or claim of breach of the foregoing representations and warranties. The term "person'' as used herein shall mean any person, firm, corporation  or other entity.

4. RIGHTS ACQUIRED/RESERVED: The foregoing option covers the sole, exclusive, perpetual and worldwide motion  picture, television and allied and incidental rights in the Literary Property and any and all screenplays or other adaptations thereof, whether heretofore or hereafter written by WRITER or any other person, including theatrical, television (whether  filmed, taped or otherwise recorded, and including series rights), cassette and other compact devices, sequel, remake and advertising rights (including 7,500-word synopsis publication rights); all rights to exploit, distribute and exhibit any motion  picture or other production produced hereunder in all media now known or hereafter devised; all rights to make any and all changes to and adaptations of the Literary Property; merchandising, sound track, music publishing and exploitation rights; the right to use WRITER'S name in and in connection with the exploitation of the rights granted hereunder; and all other rights customarily obtained in connection with formal literary purchase agreements, as referred  to in Clause 9 below.  PURCHASER hereby acknowledges that WRITER reserves live television, radio, book publication and legitimate stage rights, subject to PURCHASER's customary limited advertising and promotion rights. WRITER will not exercise or  dispose of, or permit the exercise or disposition of such reserved rights for a period of five (5) years after release of the first motion picture based upon the  Literary Property (herein the "Picture''), or five (5) years from the date on which PURCHASER exercises its option, whichever first occurs.

5. EXECUTION OF ADDITIONAL DOCUMENTS: WRITER agrees to execute any and all additional documents or instruments, including a short form option agreement (Exhibit A) and a  short form assignment for purposes of recording in the Copyright Office (Exhibit B), and to do any and all things necessary or desirable to effectuate the purposes of this agreement. If such short form assignment is undated, PURCHASER is authorized to  date such short form assignment and to file the same in the Copyright Office immediately upon exercise of the option herein granted. If WRITER fails to do anything necessary or desirable to effectuate the purposes of this agreement, including, but not  limited to, renewing copyrights and instituting and maintaining actions for infringement of any rights herein granted to PURCHASER under copyright or otherwise, WRITER hereby irrevocably appoints PURCHASER as WRITER's attorney-in-fact with the right, but  not the obligation, to do any such  things and renew copyrights and institute and maintain actions in WRITER's name and behalf, but for PURCHASER's benefit, which appointment shall be coupled with an interest and shall be irrevocable.

6. CREDIT:

In determining whether WRITER is awarded sole, shared or no writing credit, reference shall be made to the principles of the WGA credit arbitration rules. Although PURCHASER is not a WGA signatory, and WRITER is not a member of the WGA, to the extent possible, the principles of the WGA credit arbitration rules shall be followed by the parties. In the event of a credit dispute, the arbitrator of such a dispute shall follow the WGA credit rules to the extent they do not conflict with the rules of AAA arbitration.

Subject to the foregoing provision, Purchaser agrees to accord WRITER credit on the positive prints of the Picture substantially as follows:

"WRITTEN BY JOHN Q. PUBLIC"

Such credit shall also be provided in paid advertising, subject to any distributor's and customary exclusions for award, congratulatory and similar ads.  Subject to the foregoing, the presentation of  such credits shall be determined by PURCHASER. Any casual or inadvertent failure by PURCHASER, or any failure by any third party, to comply with the provisions of this clause shall not be deemed to be a breach of this agreement. In the event of a failure  or omission of PURCHASER's obligations under this clause, it is expressly agreed that WRITER's sole remedy shall be to seek damages in arbitration, and that in no event shall WRITER be entitled to obtain any injunctive or other  equitable relief or undertake any legal efforts to restrict PURCHASER's right to exploit the Literary Property.

7. ASSIGNMENT:  PURCHASER has the right to assign this agreement or any part hereof to a third party motion picture company or motion picture production company upon the terms  and conditions set forth in this agreement, and any such assignment and transfer shall be made specifically subject to the terms and conditions and payments of this agreement, regardless of whether or not PURCHASER becomes or remains involved in the  production of the Literary Property as producer or otherwise.

8. NOTICES : All checks and notices from PURCHASER to WRITER shall be sent to WRITER by mail at the following address:

JOHN Q. PUBLIC  
456 ELM STREET  
HOLLYWOOD, CA 90049

All notices from WRITER to PURCHASER shall be sent to the PURCHASER at the following address:

JOSEPH M. BLEAUX  
123 MAIN STREET  
HOLLYWOOD, CA 90049

All notices shall be deemed given upon receipt by the  party to whom they are addressed or upon deposit in the ordinary course of the U.S. mail by the method specified above.

9. MORE FORMAL AGREEMENT : Until such time as a more formal agreement may be executed incorporating all of the foregoing and additional detailed representations, warranties and other provisions customarily included in such formal literary purchase agreements, this agreement shall be  binding upon and inure to the benefit of the parties hereto and their successors, representatives, assigns and licensees.

10. RIGHT TO ENGAGE IN PREPRODUCTION: During said option period or extension thereof, PURCHASER shall have the right (at its own expense) to engage in preproduction with respect to a  motion picture or other production intended to be based on the Literary Property.

11. FORCE MAJEURE: "Force Majeure'' means any fire, flood, earthquake, or public disaster; strike, labor dispute or unrest; embargo, riot, war, insurrection or civil unrest; any act of God, any act of legally constituted authority; or  any other cause beyond PURCHASER's control which would excuse PURCHASER's performance as a matter of law. If by reason of force majeure, PURCHASER's performance hereunder is delayed, hampered or prevented, then the option period provided herein (and any  performance by PURCHASER) shall be extended for the amount of time of such delay or prevention up to a maximum of six months.

12. ARBITRATION: Any controversy or claim arising out of or relating to this agreement or any breach thereof shall be settled by arbitration in accordance with the Rules of the American Arbitration Association; The parties select expedited arbitration using one arbitrator, to be a disinterested attorney specializing in entertainment law, as the sole forum for the resolution of any dispute between them. The venue for arbitration shall be Los Angeles, CA. The arbitrator may make any interim order, decision, determinations, or award he deems necessary to preserve the status quo until he is able to render a final order, decision, determination or award. The determination of the arbitrator in such proceeding shall be final, binding and non-appealable. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The prevailing party shall be entitled to reimbursement for costs and reasonable attorney's fees.

Please signify your agreement to the foregoing by signing where indicated below and returning this  letter.

AGREED TO AND ACCEPTED:

PURCHASER:

By:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
     YOUR PRODUCTION COMPANY NAME

WRITER:

By:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
     JOHN Q. PUBLIC