

TELEVISION BUYER'S ASSUMPTION AGREEMENT

For valuable consideration, the undersigned _____

(INSERT NAME OF BUYER, TRANSFEREE OR ASSIGNEE)

(hereinafter referred to as "Buyer") hereby agrees with _____

(INSERT NAME OF EMPLOYER)

that each motion picture covered by this agreement ("the Picture") (identified in the attached Exhibit "A") is subject to the Directors Guild of America Basic Agreement of 1999 covering television motion pictures and particularly to the provisions of Articles 11, 18 and/or 20 thereof (strike those of the following clauses (1), (2), (3), (4), (5) or (6) which are not applicable):

- (1) Paragraph 11-101 thereof, pertaining to additional compensation payable to Directors when television motion pictures are rerun on free television in the United States and Canada and Article 12 thereof, pertaining to applicable pension and health contributions, if any are required;
- (2) Paragraph 11-102 thereof, pertaining to additional compensation payable to Directors when television motion pictures are telecast outside the United States and Canada and Article 12 thereof, pertaining to applicable pension and health contributions, if any are required;
- (3) Paragraph 11-108 thereof, pertaining to additional compensation payable to Directors when television motion pictures are released to basic cable and Article 12 thereof, pertaining to applicable pension and health contributions, if any are required;
- (4) Paragraph 11-201 thereof, pertaining to additional compensation payable to Directors when television motion pictures are exhibited theatrically and Article 12 thereof, pertaining to applicable pension and health contributions, if any are required; and
- (5) Article 18 thereof, pertaining to additional payments to Employees and the Pension Plan when television motion pictures are released in Supplemental Markets;
- (6) Article 20 thereof, pertaining to additional compensation payable to Employees when motion pictures produced mainly for the pay television and

videodisc/videocassette market are exhibited as provided in Sections 20-300, 20-400, 20-500, 20-600, 20-700 and 20-800 thereof.

Buyer is purchasing rights in the following territories and media (indicate those that are applicable):

Territory:

_____ Domestic (the U.S. and Canada, and their respective possessions and territories)

_____ Foreign (the world excluding the U.S. and Canada and their respective possessions and territories)

_____ Other (please describe):

Media:

_____ All

_____ Theatrical

_____ Home Video

_____ Pay Television

_____ Free Television (Domestic)

_____ Foreign Free Television

_____ Basic Cable

_____ Other (please describe):

_____ See description, attached hereto as Exhibit "A" and incorporated herein by reference.

Buyer hereby agrees, expressly for the benefit of the Directors Guild of America, hereinafter called "the DGA" or "the Guild," as representative of the Employees who rendered services on the Picture and, insofar as Supplemental Markets rights are concerned, for the benefit of the Directors Guild of America - Producer Pension Plan (hereinafter "the Pension Plan"), when exhibited on free television, foreign television, basic cable or exhibited theatrically or in Supplemental

Markets (as applicable), to assume and be bound by Employer's obligation thereunder to make the additional payments required thereby, if any, with respect to the territories and media referred to above and the pension and health contributions required thereby, if any, as provided in the applicable Paragraphs, Sections and Articles referred to herein above (all such payments are collectively hereinafter referred to as "Residuals"). Buyer, for and on behalf of the Employer, shall make all Social Security, withholding, unemployment insurance and disability insurance payments required by law with respect to the additional compensation referred to in the preceding sentence.

It is expressly understood that the right of Buyer to license the Picture for exhibition on free television, foreign television, basic cable, theatrically or in Supplemental Markets (as applicable), or to exhibit or cause or permit the Picture to be exhibited on free television, foreign television, basic cable, theatrically or in Supplemental Markets (as applicable), shall be subject to and conditioned upon the prompt payment of Residuals with respect to the territories and media referred to above in accordance with said applicable Section(s). It is agreed that the Guild, in addition to all other remedies, shall be entitled to injunctive relief against Buyer in the event such payments are not made.

To the extent that Employer has executed a security agreement and financing statement in the Guild's favor in the Picture and related collateral as defined in the DGA - Employer Security Agreement ("DGA Security Interest"), Buyer agrees and acknowledges that Buyer's rights to the Picture acquired pursuant to the Purchase Agreement (to the extent those rights are included in the collateral covered by the Security Agreement) are subject and subordinate to the DGA Security Interest. Buyer further agrees to execute a security agreement, mortgage of copyright, UCC-1, and other UCC documentation and any other document required under the Basic Agreement or necessary or desirable in the Guild's discretion to continue the DGA Security Interest. The Guild agrees that, so long as Residuals with respect to the Picture for all the territories and media referred to above are timely paid in accordance with said applicable Section(s), the Guild will not exercise any rights under the DGA Security Interest which would in any way interfere with the rights of the Buyer to distribute the Picture and receive all revenues from such distribution.

The Guild further agrees that if it exercises its rights as a secured party, it will dispose of collateral which encompasses any of Buyer's rights or interests in, or physical items relating to, the Picture, only to a transferee which agrees in writing to be bound by the Guild's obligations under this Assumption Agreement.

Buyer agrees to keep (i) complete records showing all cities in the United States in which the Pictures have been telecast and the number of telecasts in each

such city, the television stations on which telecast, and the dates thereof; (ii) complete records showing Distributor's Foreign Gross for the Picture(s) to the extent that such records are pertinent to the computation of payments for foreign telecasting; (iii) records showing the date on which each such Picture is first exhibited in theatrical exhibition anywhere in the world and the place of such exhibition; and (iv) complete records showing Employer's gross receipts from basic cable exhibition and from the distribution of such Picture in Supplemental Markets. The undersigned Buyer shall also keep such records as are necessary for the computation of Residuals for reruns, foreign telecasting, basic cable exhibition, theatrical exhibition and Supplemental Market use for so long as such Residuals may be due or payable. With respect to motion pictures produced mainly for the pay television and videodisc/videocassette market, Buyer shall comply with Paragraphs 20-903 and 20-904 to the extent they apply to Buyer's distribution of the motion picture. The Guild shall have the right, at all reasonable times, to inspect any and all such records. If Buyer shall fail to make such payments as and when due and payable, Buyer shall pay late payment damages as specified in the applicable provision of the Basic Agreement, if any.

In the event of any sale, assignment or transfer of Buyer's distribution or exhibition rights in the Picture, Buyer shall remain liable for the Residuals, with respect to the territories, media and term referred to above, unless Buyer obtains an executed Television Buyer's Assumption Agreement and other documents required by the Guild from such purchaser, assignee or transferee and the Guild approves in writing the financial responsibility of the party obtaining such rights. The Guild agrees that it will not unreasonably withhold its approval of the financial responsibility of any such purchaser, assignee or transferee. Nothing herein shall release the Employer of its obligations under the Basic Agreement or any other agreement between Employer and the Guild relating to the Picture, unless the Employer has been relieved of liability pursuant to the provisions of this Paragraph 22-304.

If the Guild does not approve in writing the financial responsibility of the party obtaining such rights, this Television Buyer's Assumption Agreement shall remain effective and binding upon Buyer.

Buyer and the Guild hereby agree that all disputes based upon, arising out of or relating to this Assumption Agreement, other than the Guild's entitlement to injunctive or other equitable relief, shall be submitted to final and binding arbitration in accordance with the arbitration provisions contained in Article 2 of the Basic Agreement. Notwithstanding the foregoing, Buyer agrees and acknowledges that the Guild is not precluded by this or any other provision of this Assumption Agreement from obtaining from a court injunctive relief or any other legal remedy at any time prior to arbitration or issuance of an arbitration award. The right to obtain injunctive relief from a court shall be applicable whether an arbitration proceeding has or has not

been initiated and, further, without limitation, shall be applicable in conjunction with a proceeding to confirm and enforce an arbitration award against Buyer.

If Buyer has acquired the rights to distribute the Picture on free television, Buyer shall give the Guild prompt written notice of the date on which the Picture is first telecast in any city in the United States for the second run and for each subsequent run thereafter. If the second or third run is on a network or the run is in network prime time, the notice shall state that fact.

If the Picture is distributed for foreign telecasting and if Buyer has acquired the rights to distribute the Picture for foreign telecasting, Buyer shall furnish reports to the Guild showing "Buyer's Foreign Gross" derived from the Picture until (i) the Picture has been withdrawn from distribution for foreign telecasting; or (ii) the Director(s) of the Picture has (have) received the full additional payments for such foreign telecasting to which they are entitled pursuant to the Basic Agreement. Such reports shall be rendered to the Guild on a quarterly basis during the first three (3) years in which the Picture is distributed for foreign telecasting, on a semi-annual basis for the next following two (2) years, and on an annual basis thereafter.

If the Picture is distributed in Supplemental Markets and if Buyer has acquired the rights to distribute the Picture in Supplemental Markets, Buyer shall furnish reports to the Guild, quarterly during each calendar year, showing Buyer's gross receipts derived from such Supplemental Market use for as long as Buyer receives any such gross receipts.

If the Picture is distributed theatrically and if Buyer has acquired the rights to exhibit the Picture theatrically, the Buyer shall give prompt written notice to the Guild of the date on which the Picture is first exhibited theatrically (i) in the United States, its commonwealths, territories and possessions and Canada and/or (ii) in all other countries.

If the Picture is distributed on basic cable and if Buyer has acquired the rights to distribute the Picture on basic cable, the Buyer shall furnish reports to the Guild, quarterly during each calendar year, showing Buyer's gross receipts derived from such distribution for so long as Buyer receives any such gross receipts.

Buyer agrees to cooperate in responding to reasonable requests from the Guild as to whether the Picture is currently being rerun on television, distributed for foreign telecasting, on basic cable, theatrically or in Supplemental Markets. An inadvertent failure to comply with any of the notice or reporting provisions hereof shall not constitute a default by Buyer hereunder, provided said failure is cured promptly after written notice thereof from the Guild.

THIS TELEVISION BUYER'S ASSUMPTION AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA AND THE UNITED STATES, AS THE SAME WOULD BE APPLIED BY A FEDERAL COURT IN CALIFORNIA WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS. The Guild and Buyer agree that any arbitration or legal action or proceeding brought to interpret or enforce the provisions of this Television Buyer's Assumption Agreement (including an action to compel arbitration or a petition to vacate an arbitration award) shall be held or brought in Los Angeles County, California, and Buyer irrevocably submits to the jurisdiction of the federal and state courts therein. Notwithstanding the foregoing, the Guild, at its option, may bring a legal action or proceeding outside California under the following circumstances: (i) if Buyer has no principal place of business in California; or (ii) whether or not Buyer has a principal place of business in California, to enforce or execute upon an arbitration award or court order or judgment, in any jurisdiction in which Buyer's assets are located (and Buyer irrevocably submits to the jurisdiction of the courts of such places for purposes of such execution or enforcement). Buyer consents to service of process by personal delivery or by certified or registered mail, return receipt requested, to Buyer's general counsel or to Buyer's representative identified below or by first class mail to Buyer when Buyer has not designated a representative or a general counsel, or by any other method permitted by law.

DATE _____

BUYER _____

ADDRESS _____

BY _____

BUYER'S REPRESENTATIVE OR GENERAL COUNSEL
