

AGREEMENT OF DISTRIBUTORS

Article of Agreement made and entered into at Bombay this _____ day of _____ between Messrs _____ a firm carrying on business of producing cinema film at _____ hereinafter called the **"Producers"** (which expression shall unless it be repugnant to the context or meaning thereof mean and include the partner or partners for the time being constituting the said film, survivor or survivors of them and their heirs, executors, administrators and assigns) of the **One Part** and Messrs _____ carrying on business of distribution of cinema films, hereinafter called the **"Distributors"** (which expression shall unless it be repugnant to the context or meaning thereof mean and include the said company however constituted from time to time, the proprietor, (partner or partners, his or their heirs, survivor or survivors of them, executors, administrators, successors and assignors as the case may be) of the **Other Parts**.

Whereas the producers have undertaken the production of a silent/talkie film in Black & White Eastman Color, in 35mm/70mm/Cinemascope/Digital Cinema language version tentatively titled _____

And Whereas the Producers have offered to assign and entrust the Distributors, the sole, exclusive and uninterrupted rights of exhibition, exploitation and distribution rights 35mm/70mm/Cinemascope/Digital Cinema for commercial purposes of the said film.

And Whereas the Distributors have agreed to obtain the said exhibition, exploitation and distribution of the said film in the territory, and on the terms and conditions, hereinafter appearing. **Now it is hereby agreed by and between the Parties as Follows:-**

1. That the said Producers hereby agree to assign and entrust to the said Distributors, the sole exclusive and uninterrupted rights of exhibition, exploitation and distribution of the said film, in the territory of _____ as usually known in the FILM TRADE at present.
2. That the said Distributors shall be entitled to distribute, exploit and exhibit the said film in the said territory for a period of _____ years, from the date of first release. That it is hereby agreed that after a period of _____ years from the date hereof, the distribution rights of the said picture shall automatically revert to the Producers and that the Distributors shall return to the Producers the prints and publicity materials of the picture in whatever condition they are lying with them at that the time. In case the Distributors exhibit the picture after the expiry of the said period they shall be liable to pay damages.
3. That it is further agreed by the Distributors that the rights of **T V / Video, Tapes or any other form, all Reduced sizes** like 16mm/8mm/Internet/Mobile etc. and any **supply to the States or Central Government rest with the Producers only.**
4. That the Cast & Credits of the aforesaid film are as under:
That in case the distributor collects any amount on advance or M.G. etc., from any exhibitor or financier or from any other source against the picture, the responsibility of returning such amount lies entirely on the distributor. The producer or the said picture will not be held responsible for any of such liabilities.
5. That the Distributors shall pay to the Producers a sum of ₹ _____ only as and by way of **Minimum Guarantee/Royalty** payable in the following manner:-
The payments as hereinabove provided are the **Essence** of this agreement and the Distributors hereby agree and undertake to strictly abide by the same.

6. In consideration of the Distributors paying sum of ₹ only by way of Minimum Guarantee/Royalty and further spending a sum of ₹ only on the Publicity of the picture, the Distributors will be entitled to retain the Income of the said picture, from the agreed distribution area appropriate the same from time to time in the following manner:-
- First in the recoupment of the M.G./Royalty Amount: - _____
 - Then the cost of _____ No. of prints: - _____
 - Then in recoupment of publicity expenses:- _____
 - Then in recoupment of commission of:- _____
- Total amount to be recouped by the Distributors:-
- When the total amount of ₹ _____ as mentioned above, is recouped, the further realization will be shared in the ration of _____
7. That in respect of ₹ only agreed upon to be spent by the Distributors, for the released and pre-released publicity and theatre decorations etc. of the said film in the key stations of contracted circuit, the Distributors agree to submit to the Producers the complete and detailed statement of accounts of the publicity thus spent.
8. That by virtue of the above payments, the Producers hereby agree to deliver free of cost/against cost, or Distributors, the following publicity materials prints for the said film in the said territory:-
- | | |
|------------------------------|-----------------------|
| Digital Distr. /Prints _____ | Posters 30 x 40 _____ |
| Photosets _____ | Posters 20x 40 _____ |
| Show Cards _____ | Blocks _____ |
| Enlargements _____ | Booklets _____ |
| Slides _____ | Loose stills _____ |
9. The Distributors undertake to take delivery of the said picture within 30 (thirty) days from the date of intimation to them by the producers.
10. That in case the Distributors require any extra prints and/or publicity materials of the said the picture for quicker and better distribution of the said picture in the contracted area, and if the Producers feel that the prints should be given to them then same shall be supplied by the Producers on a payment of the cost price of the same, provided however positive raw stock is available for the said purpose and provided further the negative of the said picture being in fit condition to yield presentable prints and the publicity materials being available. The Distributors shall be entitled to deduct the cost of such extra prints and/or not be entitled to charge any commission whatsoever on the amounts so incurred. It is however agreed that no prints will be supplied when the agency period remains less than 6 months.
11. That the producers hereby declare that the rights of the exhibition, exploitation and distribution of the said film in the said territory of are free from all encumbrances.
12. That the distributors have no right to distribute, exhibit and exploit the said picture under any by a different distribution concern unless the producers give written consent. The terms and conditions of such agreements shall remain the same and shall be binding on the sub-distributors.
13. That it is hereby agreed that the prints and publicity materials of the said picture lying in the possession of the Distributors shall be the sole property of the property of the producers and the Distributors agree to maintain it in good order, the usual wear and tear of course being allowed. The Distributors shall further indemnify the Producers against the losses and damages that may be incurred by theft, fire or other accidents or causes.

14. That the Producers agree and undertake to make the prints ready for delivery to the Distributors on or before. On the event of any Artist meeting with a serious accident or illness or any other mishap by act of God or war conditions or riots and civil commotions or strikes or lock outs or unfavorable weather conditions or further in case of shortage of non-availability of Cinematograph films, in any resultant delay, no responsibility for the same would lie on the producers. The Distributors in the above circumstances agree to accept deliveries as an when the picture is ready for deliver.
15. That in case the picture is banned for the contracted area or part thereof the producers shall do and try their level best to get the ban removed. If however, the producers do not succeed in getting the ban removed within eighteen months from the date of such ban than producers shall refund to the Distributors the recouped amount.
16. a) That the Distributors shall not duplicate or cause to be duplicated or printed the aforesaid picture and also shall not dub the picture with sound in any other languages. Further the distributors shall neither reduce nor cause to be reduced nor increase or cause to be increased or introduce other matter in the said picture.
b) The Producers have the right to dub their film in any language (except the contracted) they like and the dubbed film shall be taken as a different film and the distributors will have no rights of that film.
17. That the Distributors shall furnish to the Producers regular statement of business in respect of all bookings effected by them during particular calendar month complete in respect of the movement of every copy or print of the said picture delivered to them under this agreement from time to time during the contracted period and wherever the picture has run within the contracted area. The distributors shall also furnish all the true copies of collections report received by the Distributors from the Exhibitors concerned within the contracted area. The distributors shall also furnish all the true copies of collections report received by the Distributors from the Exhibitors concerned within the said territory. The Distributors shall also supply to the Producers true copy of the hire bills as and when made by them on the exhibitors concerned in respect of the said picture. The monthly statements shall be submitted by the Distributors every month along with the remittance of the returns of the said picture, whenever due for the particular month complete to be sent so as to reach the Producers by the 20th of the next calendar month.
18. That the Distributors shall keep proper accounts of the realization of the said picture and the producers have the rights to examine the books of accounts, correspondence, receipts, contracts documents, release and pre-release publicity accounts and other papers and vouchers in relation to the said picture, or send an authorized representative at their own expense for such purpose and to take out copies thereof or extract therefrom. No. bookings shall be made by the Distributors at or on fixed hire at 'A' or 'B' class stations as are generally classified in the film trade today, unless and until the consent of the producers is obtained in writing in advance thereto. The distributors shall also send the print movement report to the Producers every month, in case the producers want the same.
19. That after the expiry of the validity of the contract, as specified in clause 2 hereof, the Distributors undertake to return to the producers, all the prints and publicity of the contracted picture, which may be in their possession at that time.
20. That it is clearly agreed and understood that the present Central Excise Duty on the quota prints shall be paid by the Producers alone. It is further understood that this agreement is subject to the current prices of the raw-material, laboratory charges, excise duty and Government taxes, Production materials etc. etc. and in case of any increase in raw-materials, laboratory charges, excise duty and any other Government taxes relating to the Production of the picture or the price of any production materials will be shared between the Distributors and the Producers in the ratio of **50:50 (fifty-fifty)**.

21. That in case of any dispute arising out of this Agreement the same shall be referred to the joint Arbitration of the respective Association of the Distributors and the Guild or Films Producers Council of India, Bombay and their decision would be fully binding on either parties.

22. That in case of any disputes and/or differences if arising out of or touching this agreement shall be referred to a **Court of Bombay** and the courts of Bombay alone shall have the jurisdiction to try the same.

In witness hereof the **Producers** of the **One Part** and the **Distributors** of the **Oher Part** have set their respective hands and seals the day and year first above written.