**Co-Production Agreement / TEMPLATE**

Contractual parties:

**……………..**

With its registered seat at the address: ……………..

Business ID No.: …………..

A business company registered with the Commercial Register administered by the ………, file No. ……….

Represented by: …………..

(hereinafter the “**main producer**”)

and

**JI.HLAVA / JB FILMS s.r.o.**

With its registered seat at the address: Karlovo náměstí 285/19, Prague 2, 120 00

Business ID No.: …………

A business company registered with the Commercial Register administered by the ………, file No. …….

Represented by: …………

 (hereinafter the “**co-producer**”)

have agreed to enter into the following Co-Production Agreement:

**Subject Matter of Agreement**

The subject matter of this co-production agreement entered into pursuant to the provisions of Section 1746(2) of Act No. 89/2012 Coll., the Civil Code, shall be the co-operation of the parties hereto in the production and exploitation of the below-specified audiovisual work (hereinafter the “**AVW**”).

**I**

**Basic Parameters of AVW Production**

1. **AVW Specification**

### Working title: “……………..”

### Type: documentary

### Story/screenplay: ……………

### Directed by: …………..

### Planned footage: approximately ……. min

### Language version: ……………..

### Final recording: ………….

1. **Production dates**

### Preparatory works: ………….

### Shooting: ………….

### Post-production: ………….

### Scheduled date of AVW cinema premiere: ………….

###

1. **Binding supporting materials for AVW production:** Most recent working version of the story/screenplay, which constitutes Appendix 2.
2. **Total amount of AVW budget (including the development phase already realised): CZK …………. excluding VAT.**

Of which the planned co-production contributions of the contractual parties shall be as follows:

main producer – financial and material co-production contribution: CZK …………. excl. VAT

co-producer – financial co-production contribution: CZK …………. excl. VAT

A detailed itemised budget shall constitute Appendix 1 hereto.

1. The co-producer undertakes to contribute its financial contribution to the AVW production by crediting it to the main producer’s account number ............. administered by .............. in the following instalments:
2. the first instalment at 1/3 of the co-producer’s contribution, i.e. CZK ........... excluding VAT, shall be paid by the co-producer within 30 days of the execution hereof;
3. the second instalment at 2/3 of the co-producer’s contribution, i.e. CZK ........... excluding VAT, shall be paid by the co-producer within 30 days of the main producer making available to the co-producer the final version of the AVW complying with all the provisions contained herein.

**II**

**Co-Production Shares**

1. Co-production shares of the parties have been agreed as follows:
* **main producer: …%**
* **co-producer: …%**
1. The parties shall be co-owners of the rights of the producer of the audio visual recording of the AVW, of the rights acquired through the realisation agreements (see Article III, Section 3.2) and of the co-owners of the AVW tangible carriers, adequately to the ratio of the co-production shares. Unless agreed otherwise, the original tangible media and digital master recordings of the AVW shall be kept by the main producer and shall be freely accessible for the co-producer upon prior notification at least 30 days in advance.
2. Co-producers shall be authorised to finance their contribution from their own funds or to enter into a contract to finance their contribution to the AVW production with a third party.
3. Each of the contractual parties shall be authorised to enter into co-production agreements of any legal type, including atypical agreements, the purpose of which shall be any kind of direct or indirect participation of a third party in the financing of the AVW production, with other persons within the framework of its co-production contribution and co-production share. Each party shall inform the other party of such fact. For the avoidance of doubts, co-production agreements pursuant to this provision allow each of the co-producers to transfer the relevant part of their co-production share to third parties. Other co-production agreements entered into pursuant to this provision shall not affect the rights and obligations of the parties pursuant to this agreement without the other party’s express written consent. Any agreements with third parties relating to the financing of the AVW production that would result in exceeding the amount of either party’s co-production contribution as defined herein may only be made by virtue of written amendments hereto approved by the authorised representatives of both parties hereto.
4. Each of the co-producers shall be responsible for the due acquisition and management of financial and non-financial contributions to the AVW production in accordance herewith. If any co-producer has already received or receives in the future public support (a grant, subsidy, etc.) for its co-production contribution in its own name, then such co-producer shall be solely responsible for ensuring that the contract with the institution granting such public support does not in any way interfere with the rights and obligations of any co-producer hereunder and shall also be solely responsible for complying with all the conditions relating to the use of such public support, including due accounting or, as the case may be, payment of a profit share to the given institution, mentioning of the institution in the credits and promotional materials for the AVW, etc.

**III**

**Conditions of AVW Production**

1. The contractual parties have agreed that all practical matters directly and indirectly related to the AVW production shall be handled by the main producer in its own name, under its own responsibility and in accordance with the budget and schedule contained herein, unless expressly agreed otherwise in specific cases.
2. The contractual parties agree that the main producer shall enter into agreements with the AVW author, with authors of the audiovisual works used in the AVW, performers and other holders of intellectual property rights (including trademark rights, etc.) or any other rights (including rights related to general personality protection) as used in the AVW as well as with other collaborators involved in the AVW production (including all crew members) (hereinafter the “**realisation agreements**”). In each specific case, the main producer shall be obliged to ensure that during the term of copyright protection, the contractual parties as AVW co-producers are eventually authorised to use the AVW and any part thereof (including the title) exclusively, to an unlimited extent (including an unlimited quantitative and territorial extent) or, as the case may be, for all methods of use (broadcasting from a recording, television broadcasting, reproduction on audiovisual recording media, distribution through VoD services, etc.) with the right to transfer the acquired rights to third parties (by way of sublicenses as well as by way of full assignment of the rights acquired) without further financial obligations towards the authors, executive artists and other holders of intellectual property rights in the intangible objects used in the AVW, except for rights that are under mandatory collective administration by law and except for author’s works of music, for which only the so-called synchronisation authorisation may be settled, provided that the right holders concerned are represented by the OSA collective administrator and/or by partner collective management organisations in the event of AVW use outside the Czech Republic. All realisation agreements shall be entered into as authorising agreements, i.e. without any obligation to use the subject of protection concerned. Any exceptions to the license terms and conditions specified in this provision shall be subject to approval by both contractual parties, for example if archived materials are used.
3. Financial and other claims of authors, performers, crew members and other collaborators arising from the realisation agreements or arising in connection with the realisation of the AVW and claims of third parties arising in connection with the realisation of the AVW shall be settled by the main producer at its own expense and responsibility.
4. The contractual parties agree that the main producer shall in its own name and at its own expense and responsibility fulfil all obligations set forth in the applicable public-law regulations for producers of audiovisual works.

**IV**

**Other Conditions for Cooperation in AVW Production**

1. Any and all changes to the budget resulting in exceeding of its amount shall be subject to written approval by both contractual parties. Exceeding of the budget not approved in writing by both contractual parties shall be borne by the contractual party responsible for such exceeding and covered from its own resources. Such unapproved budget increase shall not affect the size of the contractual parties’ co-production shares.
2. The main producer shall be obliged to make available to the co-producer a rough edited version of the AVW sufficiently in advance of the planned AVW premiere and to consult such co-producer regarding the final version of the AVW.
3. The main producer undertakes to provide to the co-producer, upon request and without undue delay, copies of all accounting and other documents proving the proper expending of the corresponding costs of the AVW production in accordance with the mutually agreed budget.
4. In the closing credits of the AVW, both contractual parties shall be listed as the AVW co-producers together with all other co-producers, if any. The exact manner in which the contractual parties are to appear in the AVW credits, including the use of their graphic logos and other elements, shall be subject to approval of the contractual parties, which shall not be unreasonably withheld.
5. The contractual parties’ logos and names in the agreed form and extent shall be included in promotional materials relating to the AVW, any media containing the AVW for public dissemination, and other materials agreed and approved in writing. The specific manner in which each contractual party’s logo is displayed shall also be subject to such party’s approval, which shall not be unreasonably withheld.
6. The contractual parties undertake to keep confidential all information they have obtained or may obtain about each other in connection with the execution and performance hereof and that is not publicly available, including the amount of co-production contributions and shares, the extent of the licenses hereunder, etc. The contractual parties shall be obliged to ensure that their employees, sub-contractors and other co-operating persons also comply with this obligation. This obligation shall not apply to provision of information in accordance with the fulfilment of a legal obligation and to provision of information to the contractual parties’ professional advisers bound by the confidentiality obligation.
7. The contractual parties have agreed to arrange for the promotion and PR of the AVW jointly or, as the case may be, as agreed in individual cases. Unless otherwise agreed, the final form of the promotional material shall be determined by the main producer or by a third party designated thereby. The contractual parties agree that the contractual party that has arranged for the production of the promotional materials concerned shall provide the other contractual party with part of such promotional materials free of charge to the extent agreed, which such contractual party may use without further delay within a reasonable and customary territorial and time scope for the purpose of AVW promotion.

**V**

**Conditions of Use of AVW Produced**

1. The contractual parties hereby expressly agree that the main producer shall be exclusively authorised to grant the rights to use the AVW, i.e. grant sub-licences, on behalf of both co-producers to third parties, including foreign persons. The main producer shall be authorised to grant such sublicenses for the AVW use in any manner and for any time, quantity and territory. The AVW can be distributed directly or through specialised intermediaries – sales agents, distribution companies, etc.
2. Revenues from the use of the AVW received by the main producer shall be shared by the parties according to their co-production shares, after deducting the agreed shares and third-party margins as well as deducting of VAT. The main producer shall also be authorised to deduct distribution and marketing costs from the revenues before their division; however, it may only do so in an amount expressly agreed upon with the co-producer in writing.
3. The main producer agrees to provide to the co-producer settlement of its share in the revenues as agreed in this article in accordance with the above-specified principles for the first 24 months from the start of the AVW distribution for each six months of distribution within 30 days of the end of each such six-month period. After elapsing of 24 months from the start of distribution, the main producer shall send to the co-producer the settlement of its share in the revenues always on or before 31 March of each calendar year following the year in which the main producer has collected the corresponding revenue from which the co-producer’s share is to be paid. The co-producer shall always issue the corresponding invoice on the basis of such settlement due and payable within 30 days from the date of issue.
4. The main producer shall be responsible for entering the AVW into festivals and contests, unless agreed otherwise by the contractual parties. Any prize money due to the AVW producers shall be divided between the parties by the ratio of their co-production shares. Any prize money due to the AVW authors shall be paid to such authors.
5. Notwithstanding the above-specified facts, unless expressly agreed otherwise between the contractual parties, the Czech premiere of the AVW shall take place at the Ji.hlava International Documentary Film Festival and shall be arranged at the co-producer’s expense and responsibility. All revenues received by the co-producer in connection with this premiere screening, including, without limitation, revenues from accreditations and individual tickets, shall pertain to the co-producer only.

**VI**

**Final Provisions**

1. The parties hereto represent that they are authorised to enter into this agreement and that they are able to act and perform pursuant hereto.
2. In the event of repeated or material breach hereof by either contractual party, the other contractual party shall be authorised to rescind this agreement if the breaching contractual party fails to remedy such breach even within an additional reasonable period of at least 15 days to be granted thereto by the other contractual party to such end.
3. This agreement shall be executed in two counterparts, of which each contractual party shall receive one.
4. All amendments and supplements hereto shall be made in writing and executed by both contractual parties.
5. Matters not regulated by this agreement shall be governed by the applicable legal rules and regulations of the Czech Republic, in particular the Civil Code and the Copyright Act.
6. Where applicable, right and duties arising from this agreement shall pass onto the legal successors of the contractual parties.

Appendices:

Appendix 1: Detailed budget

Appendix 2: Approved story/screenplay, version ....

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| --- | --- |
| In ……….. on ……………...Main producer:……………………….**………………**……………… | In …………… on ……………Co-producer:……………………….**JI.HLAVA / JB FILMS s.r.o.**…………….. |