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Questions? please contact [info@independentfund.org](mailto:info@independentfund.org).

Thank you,

The CISF Team

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OPTION AND PURCHASE AGREEMENT   
(*[NAME OF PRODUCTION]*)

This agreement (the “**Agreement**”) is made as of [MONTH DAY, YEAR] between **[PRODUCER’S NAME / PRODUCTION COMPANY’S NAME]**, [an individual / a British Columbia corporation / a Canadian corporation / etc.] with an address at [ADDRESS, CITY, PROVINCE POSTAL CODE] (“**Producer**”) and [**OWNER’S NAME]**,[an individual / a British Columbia corporation / a Canadian corporation / etc.] with an address at [ADDRESS, CITY, PROVINCE POSTAL CODE] (“**Owner**”) in connection with the motion picture currently entitled [***NAME OF PRODUCTION***](the “**Picture**”)as follows:

BACKGROUND:

1. Owner is the owner of the [screenplay / book / short story / play / etc.] entitled “[NAME OF WORK]” written by [NAME OF CREATOR] (which work together with all plots, themes, titles, subtitles, characters, characterizations, character names, dialogue, descriptions, translations, sequences, and other versions, including all copyrights in all of the foregoing, are hereinafter collectively referred to as the “**Property**”);
2. Owner owns all right, title and interest to the Property and has the right to grant all rights in and to the Property; and
3. Producer, relying on Owner’s representations and warranties herein contained, desires to acquire all rights in and to the Property as herein set out.

**NOW THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

# **OPTION**

## In consideration of Producer paying to Owner the sum of **[FIRST AMOUNT] Canadian Dollars (CDN$XX.00)** (the “**First Option Payment**”) Owner hereby grants to Producer the exclusive and irrevocable option (the “**Option**”) for a period of [X months / years / etc.] (the “**Initial Option Term**”), commencing on the date first above written, to acquire the Rights (as defined herein) in and to the Property.

## In the event Producer wishes to extend the Option beyond the Initial Option Term the Producer shall notify Owner in writing of such extension and pay to Owner the sum **[SECOND AMOUNT] Canadian Dollars (CDN$XX.00)** prior to the end of the Initial Option Term (the “**Second Option Payment**”).

## Upon receipt of the notice of extension and payment delivered to Owner as required in this paragraph Owner hereby grants to the Producer an exclusive and irrevocable extension of the Option for a period of twelve (12) months (the “**First Extension Option Term**”), commencing on the first day after the last day of the Initial Option Term.

## In the event the Producer wishes to extend the Option beyond the First Extension Option Term the Producer shall notify the Owner in writing of such extension and pay to Owner the sum of **[THIRD AMOUNT] Canadian Dollars (CDN$XX.00)** prior to the end of the First Extension Option Term (the “**Third Option Payment**”). Upon receipt of the notice of extension and payment delivered to the Owner as required in this paragraph Owner hereby grants to the Producer an exclusive and irrevocable extension of the Option for a period of twelve (12) months (the “**Second Extension Option Term**”), commencing on the first day after the last day of the First Extension Option Term.

## In the event Producer wishes to extend the Option beyond the Second Extension Option Term Producer shall notify Owner in writing of such extension and pay to Owner the sum of **[FOURTH AMOUNT] Canadian Dollars (CDN$XX.00)** prior to the end of the Second Extension Option Term (the “**Fourth Option Payment**”). Upon receipt of the notice of extension and payment delivered to Owner as required in this paragraph Owner hereby grants to Producer an exclusive and irrevocable extension of the Option for a period of twelve (12) months (the “**Third Extension Option Term**”), commencing on the first day after the last day of the Second Extension Option Term.

## The Initial Option Term, First Extension Option Term, Second Extension Option Term and Third Extension Option Term, if applicable, are sometimes collectively referred to herein as the “**Option Terms**”. The First Option Payment, Second Option Payment, Third Option Payment and Fourth Option Payment, if applicable, are sometimes collectively referred to herein as the “**Option Payments**”.

# **FORM OF PAYMENTS**. All Option Payments and the payment of the Purchase Price, if applicable, and as referred to in this Agreement shall be made by cash or cheque made payable to Owner.

# **OPTION PURCHASE PRICE.**

## Producer may at any time during the Option Terms exercise the Option herein granted to acquire the Rights in and to the Property by paying to Owner the sum of **[PURCHASE AMOUNT] Canadian Dollars (CDN$XX.00)** (the “**Purchase Price**”). The Purchase Price is to be paid to Owner concurrently with Producer’s notice to Owner of its exercise of the exclusive and irrevocable option granted to Producer (the “**Notice**”) in this Agreement herein or upon the commencement of principal photography, whichever first occurs.

## As full and complete consideration for all rights granted, sold or licensed by Owner to Producer hereunder; for the representations, warranties and indemnities of Owner hereunder; and for the right to exploit said rights throughout the world in perpetuity, Producer agrees to pay to Owner and Owner agrees to accept the Purchase Price. The Purchase Price shall be inclusive of all taxes or deductions prescribed by any federal, provincial or state statute or regulation, re-use and residual payments (if applicable).

## Producer shall be entitled to deduct from the Purchase Price any payments actually made by Producer to Owner on account of the Option Payments.

## The Purchase Price as calculated above shall be the total compensation payable to Owner upon exercise of the Option.

## Upon payment to Owner of the Purchase Price and either delivery of the Notice or commencement of principal photography, the purchase of the Property shall be binding upon the parties hereto.

## The Option to Purchase granted hereunder shall be deemed null and void if Producer fails to exercise the Option during the Term.

# **RIGHTS DURING THE OPTION TERM.** At any time during the Option Terms, or by mutual agreement in writing, and subject to the terms hereunder Producer shall have the right, but not the obligation, to negotiate for and enter into contracts relative to the financing or distribution of an audio-visual production based on the Property.

# **RIGHTS GRANTED**. Upon payment by Producer to Owner of the Purchase Price and upon Producer giving the Notice, Owner hereby grants, sells, assigns, conveys, and sets over exclusively and in perpetuity to Producer, its successors, licensees, and assigns all right, title and interest in and to the Property including, without limitation, the right, but not the obligation, to (hereinafter collectively referred to as the “**Rights**”):

## Owner agrees that Producer shall have the right to vary, change, alter, modify, add to and delete from the Property and to rearrange and transpose the Property and change the sequence of it and the characters and descriptions of the characters contained in the Property for the purposes of producing the Production;

## Produce or cause to be produced a film and/or taped production based upon the Property or any part thereof (the “**Production**”) which may be in any and all languages and/or with music synchronously recorded in timed relation thereto; Producer may do any and all things it deems necessary and desirable in the production of the Property, subject to the limitations contained herein;

## Record or cause to be recorded the Production by means of film, tape or any process analogous thereto, or on any other substance now known or hereafter to be devised;

## Effect an unlimited number of telecasts of the Production by any method or means now known or hereafter to be devised in any and all languages by means of free, pay, subscription, closed circuit, satellite or cable distribution systems;

## Produce or cause to be produced a filmed or taped episodic television series based on the Property (the “**Episodes**”) and to effect an unlimited number of telecasts of the Episodes in the same manner as Producer may effect telecasts of the Production;

## Release, distribute and/or exploit or cause to be released, distributed and/or exploited the Production by any means or method now known or later to be devised in any and all languages theatrically and non-theatrically throughout the world;

## Produce or cause to be produced an unlimited number of filmed and/or taped Productions based upon the Property or any version thereof which Production constitute sequels of the Production. Producer shall have all rights in and to any such sequels as Producer has with respect to the Production. The term “**Sequel**” as used herein shall be defined as that terms is generally defined in the television and motion picture industries;

## To publish or cause to be published, and to register or cause to be registered copyright, in the name of Producer or its nominee in any and all languages throughout the world, in any print form or media, the screenplay of the Picture;

## Publish not more than 7500 words of the text of the Property, whether in synopsis, abridged or revised version for publicity purposes only;

## To the extent Owner has the right to grant same, to use any part of the Property and any of the characters, plots, themes and/or ideas therein contained, and the title by which the Property is now known or may hereafter be known or any component of such title as Producer in its sole discretion may desire, solely in connection with the rights granted to Producer hereunder;

## Broadcast by means of radio or any process analogous thereto, now known or hereafter to be devised, up to three minutes of the Property and/or the Production for advertising purposes;

## Use and exploit or license the use and exploitation of commercial or merchandising rights and tie-ins of any sort and nature arising out of or connected with the Property, the Production, the Episode or any Sequel produced pursuant hereto subject to the payments set out herein; and

## Included in the rights granted to Producer hereunder, but without limiting the same, are the following rights:

## To secure copyright throughout the world in the Production, Sequels and/or Episodes produced by Producer, its successors, licensees or assigns.

## To translate the Production, Sequels and/or Episodes into any and all languages, to interpolate music and musical numbers into the Production; and/or dub and/or affix subtitles.

## To use excerpts from the Production and/or the Property to advertise, publicize and/or exploit the Production, Sequels and/or Episodes.

# **EXCLUSIVE RIGHTS GRANTED.** Producer shall enjoy, solely and exclusively, all of the rights, licenses, privileges and property granted hereunder throughout the world, as long as any rights in the Property are recognized in law or equity.

# **WARRANTIES.** Owner hereby warrants and represents that:

## Owner is the sole and exclusive owner and proprietor throughout the world of the Property and of any and all rights granted to Producer hereunder;

## Owner has the full right and authority to enter into this Agreement and to grant to Producer all the rights herein granted;

## No television, motion picture or other audio visual version or adaptation of the Property has heretofore been produced, performed or copyrighted any place throughout the world;

## Owner will not, and heretofore has not assigned or licensed to any other person, firm or corporation, or in any manner encumbered, any of the rights in and to the Property, or any element(s) thereof, granted to Producer herein, including the title thereof, and there are no rights, licenses and/or grants of any kind in favour of any person, firm or corporation;

## There are no claims, litigation, or other proceedings, pending or threatened which could impair, limit, diminish or infringe upon the rights herein granted to Producer;

## The Property is wholly original with [NAME OF CREATOR], no incident therein or part thereof is taken from, based upon or adapted from any other literary material, dramatic work, motion picture, television production or other creative work; and

## The full use of the Property, or any part thereof, will not violate or infringe upon any copyright belonging to any person, firm or corporation, or constitute a defamation of, or an invasion of the rights of privacy of, or otherwise violate or infringe upon any other right(s) of any person, firm or corporation.

With respect to any material added by Producer to the Property, Producer hereby gives the same warranties to Owner as Owner has given to Producer herein.

# **CREDIT OBLIGATIONS**

## Owner hereby grants to Producer, perpetually, and throughout the world, the right to and to authorize other persons to reproduce, print, publish and disseminate by any manner and by any means, the name and likeness and biography of Owner in connection with the advertising, publicizing and exploitation of the Production produced hereunder and/or any other use or exploitation of any of the Rights herein granted to Purchaser with respect to the Property. Owner shall be entitled to a screen credit in the Production, in the head credits, on a separate card, which credit shall read substantially: “Based upon the [screenplay / book / short story / play / etc.] “[*NAME OF WORK*]” by [NAME OF CREATOR]”. Owner shall be entitled to similar credit in paid advertising whenever the writer and director of the Picture are accorded such credit.

## No casual or inadvertent breach by the Purchaser of the provisions of this paragraph 10 shall constitute a breach of the Agreement, provided that Producer agrees to use all reasonable efforts to prospectively correct any such failure upon receipt of notice from Owner detailing any such failure.

# **INDEMNIFICATION.** Owner will not at any time hereafter execute any agreement in conflict herewith or in any way attempt to sell, dispose of or encumber any of the rights herein granted to Producer. Owner agrees to indemnify and hold harmless Producer, its successors, licensees, and assigns, from any losses, damages, liabilities, claims, costs and expenses, including legal fees, arising as a result of any breach of any warranty, undertaking, representation or agreement made or entered into hereunder by Owner. Producer agrees to indemnify and hold harmless Owner on the same terms as Owner has agreed to hold Producer harmless in the preceding paragraph with respect to any material added to the Property by Producer.

# **ASSIGNMENT.** Producer may at any time license, assign or transfer this Agreement or any or all the rights granted to Producer hereunder, to any person, firm or corporation, provided, however, that no such assignment shall relieve Producer of its obligations hereunder unless any such assignees shall be substantially owned by Producer.

# **ENUREMENT.** This Agreement shall perpetually enure to the benefit of Producer’s heirs, executors, administrators, successors, permitted licenses and assigns (as the case may be) and shall be perpetually binding on and enure to the benefit of Owner’s heirs, executors, administrators, successors, permitted licenses and assigns (as the case may be).

# **NOTICES.** All notices required to be given hereunder by any party shall be deemed to have been well and sufficiently given if mailed by prepaid registered mail, or telecopied to, or delivered at, the address of the other party as follows, or at such other address as the other party may from time to time direct in writing.

| Owner  **[OWNER’S NAME]** [ADDRESS] [CITY, PROVINCE POSTAL CODE]  Fax: [XXX-XXX-XXXX] Tel: [XXX-XXX-XXXX] Attention: [CONTACT NAME] | Producer  **[PRODUCER’S NAME / PRODUCTION COMPANY’S NAME]** [ADDRESS] [CITY, PROVINCE POSTAL CODE]  Fax: [XXX-XXX-XXXX] Tel: [XXX-XXX-XXXX] Attention: [CONTACT NAME] |
| --- | --- |
| With a Copy to:  **[OWNER’S LAW FIRM]** [ADDRESS] [CITY, PROVINCE POSTAL CODE]  Fax: [XXX-XXX-XXXX] Tel: [XXX-XXX-XXXX] Attention: [CONTACT NAME] | With a Copy to:  **[PRODUCTION’S LAW FIRM]** [ADDRESS] [CITY, PROVINCE POSTAL CODE]  Fax: [XXX-XXX-XXXX] Tel: [XXX-XXX-XXXX] Attention: [CONTACT NAME] |

# Any such notice shall be deemed to have been received, if mailed, 48 hours after the time of mailing, or telecopying upon the date of receipt of transmission, and if delivered, upon the date of delivery. In the event of an address change or if normal mail service, or telecopy service is interrupted by strike, slow down, force majeure, or other cause, a notice sent by the impaired means of communication will not be deemed to be received until actually received, and the party sending the notice shall utilize any other such services which have not been so interrupted or shall deliver such notice in order to ensure prompt receipt thereof.

# **FURTHER AGREEMENTS.** Owner will execute, acknowledge and deliver to Producer, or cause to be executed, acknowledged and delivered to Producer, in a form approved by Producer, any and all further assignments and instruments which Producer may reasonably deem necessary or proper to effectuate the intent of this agreement, including, but not limited to:

## A short-form assignment in the form attached hereto as Schedule “A” of all rights, licenses, privileges and property herein granted to Producer, duly acknowledged and executed by the copyright proprietor of the Property;

## A quitclaim(s) of all such rights, licenses, privileges and property duly executed and acknowledged by any publishers of the Property and any other person, firm or corporation having any interest in the Property; and

## Certificate of authorship in the form attached hereto as Schedule “B”.

# **FORCE MAJEURE.** If the engagement in any preproduction activities in connection with any version of the Property to be produced hereunder, including the writing of any treatment or teleplays, shall be prevented or interrupted due to epidemic, fire, action of the elements, strikes, labour disputes, governmental order, court order, act of God, public enemy, wars, riots, or civil commotion, any of the Option Terms shall be extended for the number of days such event of force majeure exists.

# **ENTIRE AGREEMENT.** This Agreement sets forth the complete understanding between the parties with respect to the Property and may not be modified except in writing signed by both parties.

# **SEVERABILITY.** If any provision of this Agreement is unenforceable or invalid for any reason whatever, such unenforceability or invalidity shall not affect the enforceability or validity of the remaining provisions of this Agreement and such provision shall be severable from the remainder of this Agreement.

# **COUNTERPARTS.** This Agreement may be executed in counterparts, and such counterparts together shall constitute a single instrument.

# **GOVERNING LAW.** This Agreement shall be interpreted in accordance with and subject to the [laws of the province of British Columbia / laws of the province of Alberta / federal laws of Canada / laws of JURISDICTION X / etc.] applicable to agreements fully executed and performed therein.

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement as of the day and year first above written.  
  
*[NTD –* ***INDIVIDUAL OPTION.*** *IF OWNER IS AN* ***INDIVIDUAL****, USE THIS SIGNATURE LINE AND DELETE THE CORPORATION OPTION:]*

| **Producer:**  **[PRODUCER’S NAME / PRODUCTION COMPANY’S NAME]**  Per: Authorized Signatory | **Owner:**  Signature  Print Name |
| --- | --- |

*[NTD –* ***CORPORATION OPTION.*** *IF OWNER IS A* ***CORPORATION****, USE THIS SIGNATURE LINE AND DELETE THE INDIVIDUAL OPTION:]*

| **Producer:**  **[PRODUCER’S NAME / PRODUCTION COMPANY’S NAME]**  Per: Authorized Signatory | **Owner:**  **[OWNER COMPANY’S NAME]**    Per: Authorized Signatory |
| --- | --- |

**SCHEDULE “A”  
ASSIGNMENT OF RIGHTS  
“[*NAME OF WORK*]”**

**IN CONSIDERATION** of the sum of One Dollar ($1.00), and other good and valuable consideration set out below, the receipt and sufficiency of all of which is hereby acknowledged, [OWNER’S NAME] (the “**Owner**”) hereby sells, assigns, transfers and conveys to [PRODUCER’S NAME / PRODUCTION COMPANY’S NAME] (the “**Producer**”) in perpetuity the sole and exclusive ownership of all its rights and interests set out in the Option and Purchase Agreement dated [MONTH DAY, YEAR] (the “**Agreement**”) for the concept document entitled [NAME OF WORK] (the “**Concept**”).

1. Owner covenants and agrees that all rights, licences and interests in and to the Concept arising from the Agreement shall be irrevocably vested in Producer in perpetuity and shall not be subject to revocation or rescission by Owner, or any party claiming through or instead of Owner, for any reason whatsoever. If at any time Producer or its assignees or licenses are alleged to be in breach or default of any provisions of this Agreement, the rights of Owner with respect to such alleged breach or default shall be limited to a claim for damages in an action at law and Owner specifically covenants and agrees that it will not be entitled to seek, obtain or enforce and injunctive or other equitable relief which would in any way interfere with, prevent, delay or impede the complete and unfettered exercise by Producer of all rights, interest, licences and property granted herein.
2. Owner hereby represents and warrants to Producer that:
   1. no party has any agreement, right or option, consensual or arising by law, present or future, contingent or absolute, or capable of becoming an agreement, right or option to acquire Owner’s rights in the Option and Purchase Agreement;
   2. Owner has the power and capacity and good and sufficient rights and authority to enter into this Agreement on the terms and conditions herein set forth and to transfer the Option and Purchase Agreement to the Producer; and
   3. the making of this Agreement and the contemplation of the transactions contemplated hereby and the performance and compliance with the terms hereof does not and will not conflict with or result in a breach of or violate any of the terms, conditions or provisions of any law, judgement, order, injunction, decree, regulation or ruling of any court or governmental authority, domestic or foreign to which Owner is subject or constitute or result in a default under any agreement, contract or commitment to which Owner is a party.
3. Owner acknowledges and agrees that all of the foregoing representations and warranties constitute material inducements upon which Producer has relied in entering into this Agreement. Owner covenants to indemnify and save Producer harmless from all liabilities, causes of action, damages, costs and expenses, including actual and reasonable legal and court costs, which may be incurred or suffered by Producer as a result of any breach by Owner of any representation or provision of this Agreement. Owner covenants to indemnify and save Producer harmless from all liabilities, causes of action, damages, costs and expenses, including actual and reasonable legal and Court costs, which may be incurred or suffered by Producer as a result of any breach by Owner of any representation or provision of this Agreement.

**IN WITNESS WHEREOF** Owner has executed and delivered this Agreement effective as of [MONTH DAY, YEAR].

| **Owner:**  Signature  Print Name |  |
| --- | --- |

**SCHEDULE “B” – CERTIFICATE OF AUTHORSHIP**

TO: [**PRODUCER’S NAME / PRODUCTION COMPANY’S NAME**][ADDRESS, CITY, PROVINCE POSTAL CODE]  
 ATTENTION: [CONTACT NAME]

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, I the undersigned, [NAME OF CREATOR], hereby certify and warrant subject to the terms of the Option and Purchase Agreement dated [MONTH DAY, YEAR] between [**OWNER’S NAME**] (the “**Owner**”) and [**PRODUCER’S NAME / PRODUCTION COMPANY’S NAME**] (the “**Producer**”), as follows:

I am the sole author of the original work and original concept documents entitled “[NAME OF WORK]” (the “**Property**”). I wrote the Property by myself and not in collaboration with any other party.

The Property is original and to the best of my knowledge and belief, does not defame, infringe upon or violate the rights of any person, firm or corporation, and to the best of my knowledge and belief, is not the subject of any litigation or claim, threatened, pending or otherwise, that might give rise to litigation.

I confirm I have irrevocably granted, assigned and sold to Owner, exclusively, in perpetuity and throughout the universe, all right, title and interest, of every type and sort, now known or hereinafter devised, in the Property.

I hereby waive for the benefit of Producer any and all rights anywhere of droit moral or moral rights of authors or any similar rights or principles of law which I may now or later have in the Property or anywhere derived therefrom. It is agreed that my consideration for the waiver of droit moral in the Property is included in the compensation which has been paid pursuant to the Option and Purchase Agreement.

I agree to indemnify Producer against any breach of any of the representations and warranties contained herein. I agree to execute any other documents which Producer reasonably deems necessary or desirable to effectuate the purposes of the Option and Purchase Agreement.

Producer’s rights in the Property may be assigned, transferred and/or licensed and its rights and obligations will be binding upon us and enure to the benefit of my assignees, transferees, successors, heirs and licenses.

I agree, at the request and expense of Producer, to execute any documents and to do any other acts reasonably deemed necessary by Producer or its assignees or licensees to further evidence or effectuate Producer’s rights as set forth in this Certificate of Authorship and the Option and Purchase Agreement. Upon my failure promptly to do so, I hereby appoint Producer as attorney-in-fact for such purposes (it being acknowledged that such appointment is irrevocable and coupled with an interest) with full power of substitution and delegation.

Any remedies which I may have, against Owner or Producer arising out of any breach of any agreement, in connection with the Property and the productions based thereon, shall be limited to the right to recover damages, if any, in an action at law. I hereby waive any right or remedy in equity, including any right to terminate the Option and Purchase Agreement or to rescind Producer’s right, title and interest in and to the Property or the results and proceeds of my services or to enjoin, restrain or otherwise impair in any manner the production, distribution, advertising or any other exploitation of the production(s) or any parts of elements thereof.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Authorship as of [MONTH DAY, YEAR].

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
[NAME OF CREATOR]