

COMMERCIAL PRODUCTION BID INFORMATION

These specs, the attached terms and conditions, and this document between Agency and Production House for the project named on this document, constitutes a binding agreement.

Date:	Bid Version:	
Client/Product:	Agency:	
Production House:	Agency Producer:	
Executive Producer:	Creative Director:	
Director:	Art Director:	
Line Producer:	Writer:	
DOP:	Editor:	
Shoot Date(s):		
Budget:	Location(s):	
TV <input type="checkbox"/>	Online <input type="checkbox"/>	Cinema <input type="checkbox"/>

Commercial Title	Length	Camera	Sound		Talent #			
			SYNC	MOS	Principle	SOC	Extras	Other

1									
2									
3									
4									
5									
6									

Bidding Checklist

(Legend: A= Agency, P= Production House, N/A= Not Applicable)

Set Design & Construction		Casting of Principles/ SOC	Client/Agency Ground Transportation
Location Fees		Casting of Extras	Helicopter/Drone (see note)
Studio Rental		Casting of Hand Models	Crane
Props		Talent Payments	Camera Car
Client/Working Product		Talent Airfares	High Speed Photography
Product Shipment/Brokerage		Talent Hotel/ Per Diem	Animals
Colour Corrected Packaging		Choreographer	Sync Sound
Signage		Stills Photographer	Transcoding
Storyboards		Food Stylist	LTO
Wardrobe		Home Ec Supplies	Special Insurance (see note)
Uniforms		Food Ingredients (From Client)	Weather Bid
SFX		Hero Car Prep/Detailing	
VTR Assist		Hero Car Transportation	

Bid Notes:

Production Insurance

(X = Who is insuring the job)

Insurance Provider (Company Name):	Contact:
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Special Insurance Required:	Included in Bid (Yes or No):	
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Errors & Omissions Insurance

Production:		Agency:	
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In the event of Agency supplied insurance, the Production Company is to be listed on the Agency's policy as "named insured" for the duration of the project.

Payment for Production: (Section 9/ 1 & 2- Attached terms and conditions):

75% due prior to first shoot day.

If 75% has not been received prior to the first shoot day, the production company reserves the right, at its discretion, to halt production, thereby enacting the postponement terms, at the client's expense, and/or hold back hard drives until such time as payment has been made.

Final 25% is due within 30 days from the last shoot day. If payment is not received within the 30 days of the last shoot day a financing charge of 2% compounded per month will be billed to the agency.

Overages Payment of approved invoice will be due 30 days from receipt of invoice. If payment is not received within 30 days, a financing charge of 2% compounded per month will be billed to the agency.

Cancellation/Postponement Terms: Please reference sections 10 and 11 of the attached terms and conditions.

PLEASE READ CAREFULLY ALL OF THE TERMS AND CONDITIONS OF THIS BID PACKAGE

The Parties acknowledge their complete understanding of the above information within this agreement.

Dated at _____ this _____ day of _____ 20 _____

**Exec
Producer:**

**Agency
Producer:**

Name: _____

Name: _____

ACCP (CPAT) PRODUCTION TERMS & CONDITIONS

1. FURNISHING MATERIALS, SERVICES & RELEASES:

Agency: The Agency shall supply scripts, storyboards, product, production notes, music, all talent, creative guidance/supervision, and related clearances, unless otherwise agreed. Agency will supply track or musical composition(s) and post elements unless otherwise specified. Production Company: Production Company shall (i) secure and provide appropriate releases and clearances with respect to those matters and materials which the Production Company is responsible to provide under this Agreement and hold Agency and Client harmless from any third-party claims in that regard; and (ii) supply everything required for complete production and delivery of the commercial(s) of a qualitative standard acceptable to Agency, not to be unreasonably or arbitrarily withheld by Agency, based on average industry norms. Such production and delivery shall be made and given pursuant to the Budget and the terms herein.

2. CHANGES IN SPECIFICATIONS: If at any time, Agency and/or Client desires to make any changes or variations from the script(s) or storyboard(s) as quoted, and such changes result in additional costs to Production Company, Production Company agrees to notify the Agency Producer of the amount before any such additional costs are incurred, and Production Company shall proceed only after receiving written approval of such costs. Reimbursement for such additional costs shall be payable in accordance with the terms of this Agreement for final payment.

3. OWNERSHIP: Except as otherwise provided in this Agreement, all rights, title and interest in and to the Production Media (including, without limitation, all rights in the nature of intellectual property rights) shall be owned by and be the exclusive property of Agency with right of assignment by the Agency to its Client or other parties. Notwithstanding the foregoing, and subject to Production Company receiving prior approval and authorization from performer's unions and other entities having jurisdiction over the performance of the Production Media in public or private, Production Company may use the Production Media to self-promote its own business and/or for purposes associated with the entry into and conduct of awards competitions.

4. SECURITY/CONFIDENTIALITY: All information and materials supplied to Production Company for the Production Media by Agency or others on its behalf are, or are deemed to be, of a confidential and/or sensitive nature. Production Company agrees that it will not, and will not authorize or permit any person engaged in the production of the Production Media to, discuss or disclose such information or materials except only to the extent it is necessary for Production Company in order to produce the Production Media as herein contemplated. To that end, upon the Agency's request, Production Company will secure from all members of the production crew engaged by or for Production Company in the production of the Production Media, a written confidentiality agreement which will be furnished by Agency for that purpose.

5. INDEPENDENT CONTRACTOR: It is understood that: (i) Production Company's status under this Agreement is that of an independent contractor; (ii) all persons engaged by Production Company in the performance of its obligations hereunder ("Engaged Persons") shall be deemed not to be employees of Agency or its Client; (iii) Production Company shall make all payments due to Engaged Persons and comply with all governmental regulations affecting such payments and engagements; and, (iv) Production Company shall indemnify and hold harmless Agency and its Client against claims resulting from Production Company's failure to comply with the provisions of this Paragraph 5.

6. PRODUCTION COMPANY'S WARRANTIES: Production Company represents and warrants: i) That Production Company has full right to enter into this Agreement and to perform its obligations hereunder and will comply with all applicable Federal, Provincial and Municipal Laws, ordinances and regulations and with all applicable union agreements to which Production Company is a signatory. ii) That upon delivery of the Production Media to Agency and/or Client, all production payroll and fees for individuals contracted by Production Company, will be paid in accordance with the terms for hiring the crew or in accordance with union contracts to which the Production Company is a signatory, if any.

7. AGENCY WARRANTIES: Agency represents and warrants that the Agency has full right and authority to enter into this agreement on behalf of the Client and that the Agency is the contracting party (engager) for all talent, unless otherwise agreed.

8. DELIVERY OF MATERIALS: The responsibility and liability of Production Company to deliver the motion picture elements shall be

satisfied upon delivery by Production Company to the editing facility designated by Agency of the following materials: (i) dailies; (ii) sound tracks "as-recorded"; (iii) LTO; and (iv) such other materials as are specified in this Agreement.

9. PAYMENT FOR PRODUCTION:

75% due prior to first shoot day.

If 75% has not been received prior to the first shoot day, the production company reserves the right, at its discretion, to halt production, thereby enacting the postponement terms, at the client's expense, and/or hold back hard drives until such time as payment has been made.

Final 25% is due within 30 days from the last shoot day. If payment is not received within 30 days of the last shoot day a financing charge of 2% compounded per month will be billed to the agency.

Overages Payment of approved invoice will be due 30 days from receipt of invoice. If payment is not received within 30 days, a financing charge of 2% compounded per month will be billed to the agency.

Notwithstanding Article 3 above, 'Ownership' of the film does not transfer until full payment is made to Production Company.

10. CANCELLATION:

1. If notice of cancellation is given ONE TO TEN WORKING DAYS prior to the commencement of the shoot, the contracting client will be liable to the Production Company for: a) All out-of-pocket costs b) Full director's and producer's fee as bid. c) DOP fees as contracted. Full production fee on the job as bid.

2. If notice of cancellation is given ELEVEN TO FIFTEEN WORKING DAYS prior to the commencement of the shoot, the contracting client will be liable to the Production Company for: a) All out-of-pocket costs b) Not less than 50% of director's and producer's fee as bid. c) DOP fees as contracted. d) Not less than 50% of the production fee on the job as bid.

3. If notice of cancellation is given BETWEEN FIFTEEN AND TWENTY WORKING DAYS prior to the commencement of the shoot, the contracting client will be liable to the Production Company for: a) All out-of-pocket costs b) Not less than 25% of the director's and producer's fee as bid. c) DOP fees as contracted. d) Not less than 25% of the production fee on the job as bid.

4. If notice of cancellation is given MORE THAN TWENTY WORKING DAYS prior to the commencement of the shoot, the contracting client will be liable to the Production Company for: a) All out-of-pocket costs. b) Creative fees, if applicable, and as agreed to at the quoting stage. c) A production fee of not less than 20% of a) and b). Out-of-pocket costs are startup costs that could include but are not limited to casting, set designs, location scouting, or special prop design and build.

11. POSTPONEMENT

1. If notice of postponement is given ONE TO TEN WORKING DAYS prior to the commencement of the shoot, the contracting client will be liable to the Production Company for: a) All out-of-pocket costs; b) Full director's and producer's fee as bid; c) DOP fees as contracted; d) A production fee of not less than 20% of costs a) through c).

2. If notice of postponement is given ELEVEN TO FIFTEEN WORKING DAYS prior to the commencement of the shoot, the contracting client will be liable to the Production Company for: a) All out-of-pocket costs; b) Not less than 50% of the director's and producer's fee as bid; c) DOP fees as contracted; d) A production fee of not less than 20% of costs a) through c).

3. If notice of postponement is given MORE THAN FIFTEEN WORKING DAYS prior to the commencement of the shoot, the contracting client will be liable to the Production Company for: a) All out-of-pocket costs; b) Not less than 25% of the director's and producer's fee as bid; c) DOP fees as contracted; d) A production fee of not less than 20% of costs a) through c).

4. If notice of postponement is given MORE THAN TWENTY WORKING DAYS prior to the commencement of the shoot, it should be deemed a CANCELLATION- MORE THAN TWENTY DAYS will apply. Cancellation fees shall be paid in full within THIRTY DAYS from the date of cancellation invoice. Postponement fees, if any shall be added to the Production Company's invoice for final payment.

For the purposes of this section 10 and 11, "out-of-pocket costs" shall mean, without duplication, the aggregate of all costs (excluding fees or any other costs in the nature of fees) paid or payable by the Production

Company to third parties in furtherance of the objectives of this Agreement as determined at the date of notice of Cancellation or Postponement, which out-of-pocket costs shall not exceed the out-of-pocket costs as originally bid, unless the parties have otherwise agreed in writing to increase the out-of-pocket costs from those originally bid. In cases of a mutually accepted out-of-pocket costs increase, out-of-pocket costs must be supported by satisfactory proof of the out-of-pocket costs incurred, and are subject to an audit by Agency at Agency's expense and at the Production Company's place of business. For greater certainty, if Production Company quotes out-of-pocket costs as originally bid, or lower than originally bid (i.e. before the out-of-pocket costs as originally bid were increased, if at all), Agency shall not have any audit rights.

12. CONTINGENCY AND WEATHER DAYS

A contingency day is any day where a scheduled Production Media shooting has been prevented from occurring or completed due to circumstances beyond the control of the Production Company. These circumstances may include, and are not limited to: a) Any weather conditions not consistent with the prescribed shooting conditions desired by the Agency, or considered a safety hazard for personnel and equipment; b) Any conditions leading up to a shoot day, which affect the viability of the approved location (all locations must have been viable at the time of presentation and approval); c) "Force Majeure" (earthquake, riot, floods, acts of war, etc) Injury or illness of key advertising agency personnel; d) Absence of agency supplied elements (talent, product, colour correct packages etc). e) Non-performance of talent or animals.

The Production Company will provide the contracting client with a maximum exposure figure (a "not to exceed" figure) as a contingency day cost at the quoting stage. The estimate will represent the maximum costs should the contingency day be called after 1:00 PM prior to the shoot day. This will be a cost per day figure. However, this figure does not include the cost of premiums for crew or suppliers (i.e., should the contingency day fall on statutory holidays or premium days based on consecutive employment.) A second estimate will be provided prior to the first shooting day. This estimate would reflect the costs to postpone the shoot day up to 11:00 AM the day prior to the scheduled shoot date. The rescheduled shoot day would be the day after the original shoot day(s). The cost of a contingency day called prior to 11:00 AM prior to shoot date shall consist of: a) All out of pocket costs; b) 50% of the daily director's fee as bid; c) DOP fees as contracted; d) A service charge of no less than 10% of all direct costs.

The cost of a contingency day called after 11:00 AM prior to shoot date shall consist of: a) All out of pocket costs; b) 100% of the daily director's fee as bid; c) DOP fees as contracted; d) A service charge of no less than 10% of all direct costs.

The Production Company recognizes its obligations to minimize Contingency Day liabilities, and will apply all conventional and accepted industry cancellation privileges.

13. INSURANCE COVERAGE: If included in the bid the Production Company shall be responsible for providing and maintaining production insurance for the production of the Film, with the following minimum coverage:

1. i) Workers' Compensation insurance for Production Company's employees to the extent that Production Company's is enrolled in such Provincial Workers' Compensation programs; ii) Commercial General Liability Insurance in an amount not less than \$5,000,000 Combined Single Limit for bodily injury and property damage liability. Production Company's shall name Agency/Client as an additional insured on Production Company's policy; iii) Production Media and Media Perils Insurance in amounts sufficient to provide coverage in the event of a re-shoot resulting from a covered insurance peril which results in damage to the negative and other production elements. Such insurance will apply to those costs that the Production Company's is liable for in the original shoot. If Agency desires Production Companies to insure items that are originally Agency's responsibility, such request must be made in writing and any additional insurance premiums resulting to the Production Company will be reimbursed by the Agency. Agency acknowledges that such Production Media Insurance and shall only apply during the time that Production Company has care and control of the Production Media; iv) Auto Insurance for vehicles owned, hired, and/or leased by Production Company (if applicable) in an amount not less than \$1,000,000 Combined Single Limit of liability for bodily injury and property damage liability.

2. Production Company shall provide Agency with copies of certificates of insurance evidencing the foregoing.

3. Agency shall obtain, pay for and maintain Advertising Agency Professional Liability (Errors & Omissions) insurance for all elements Agency provides.

4. Each party shall promptly give written notice to the other party of any claim hereunder.

5. If any additional insurance requirements are necessitated by the nature of the production, other than insurance specified in Paragraph 13(1), it will be so noted on the Agency's

specifications. Agency hereby acknowledges that unless requested by Agency in writing, Production Company is only providing insurance coverage as specified in Paragraph 13(1). On client insured productions: If client insurance does not cover a claim, agency shall be responsible for the cost as well as all deductibles

14. INDEMNIFICATION: Production Company agrees to indemnify, defend, and hold harmless Agency and Client and its and their directors, officers, employees, agents and licensees from and against any and all claims, actions, damages, liabilities and expenses, arising out of the breach of any obligation, warranty or representation of Production Company in this Agreement to the extent of Production Company's insurance coverage pursuant to section 13 (1) above. Agency agrees to indemnify, defend, and hold harmless Production Company and its officers, employees, agents and licensees from and against any and all claims, actions, damages, liabilities and expenses, arising out of the breach of any obligation, warranty or representation of Agency or Client in this Agreement to the extent of Agency's insurance coverage pursuant to section 13(1) above.

15. TAX LIABILITY: Any sales tax, use tax, or other tax payable on production and delivery of the Production Media to Agency (other than sales tax arising from Production Company's purchases of materials or supplies in connection with the production) shall be the responsibility of Agency who shall pay, defend and hold harmless Production Company from payment of any such taxes.

16. ASSIGNMENT: This Agreement may not be assigned by either party without the written consent of the other. Provided, however, that without such consent Agency at any time will have the right to designate any advertising agency or the Client, identified in Section 1 above, in the place and instead of an Agency, and upon (i) such designation being made, and (ii) the other advertising agency or the Client, as the case may be, signing a duplicate of this Agreement, this Agreement will be read and construed as if the new advertising agency or the Client were substituted for Agency wheresoever the same shall appear in this Agreement.

17. DISPUTE RESOLUTION: If in the event of any controversy, claim, question, disagreement or dispute (collectively the "Dispute") arising out of or relating to this Agreement, Production Company and Agency shall first use their best efforts to resolve the Dispute through personal negotiation. If such negotiation does not result a resolution satisfactory to both parties within fifteen (15) business days after first commencing such negotiation, the Dispute will be submitted to mediation in accordance with the mediation procedure of the Alternative Dispute Resolution Centre of the Ontario Court of Justice (General Division). If mediation does not result in the resolution of the Dispute, it will be submitted to arbitration pursuant to the Arbitrations Act of Ontario for binding non-appealable arbitration, unless the parties mutually agree otherwise. During any negotiation and/or mediation and/or arbitration, the parties shall, without delay, continue to perform their respective obligations under this Agreement that are unrelated to the Dispute. All requests/demands for negotiation, mediation or arbitration shall be in writing and made by actual delivery or registered mail, return receipt requested. Arbitration shall be in the city of Toronto. The prevailing party in the mediation and/or arbitration proceedings shall also be entitled to reasonable legal fees and costs in connection with the mediation and/or arbitration proceedings and any legal action taken to enforce the award of mediation/arbitration.

18. ENTIRE AGREEMENT AND MODIFICATION: This Agreement, the Budget, and any Addenda attached hereto shall constitute the entire agreement between Production Company and Agency. Any amendment hereto must be in writing and signed by each party.

19. APPLICABLE LAW: This Agreement shall be interpreted and governed by the laws of the province of Ontario and the laws of Canada applicable therein and hereto.

Unless otherwise specified prior to production, this agreement supersedes all other terms and conditions of production.