

Framework agreement

between

**The Norwegian Playwrights' Association (NDF)
on behalf of**

**The Norwegian Authors' Union
Norwegian Writers for Children
The Norwegian Playwrights' Association**

and

The Norwegian Film and TV Producers' Association (NFTVVPF)

**relating to the assignment of film, production and viewing rights from
Author to Producer**

The existing Framework Agreement for feature films, along with the Standard Contract, shall supersede the Framework Agreement for Feature Films of 15 September 1998, with annex(es).

The purpose of the Framework Agreement is to promote a good relationship between Producer and Author. The parties agree that this can best be accomplished by everyone striving to achieve mutual understanding of and respect for each other's work and non-economic rights.

§ 1

The scope of the Framework Agreement

This Framework Agreement regulates terms and conditions for the members of the Norwegian Playwrights' Association (NDF), the Norwegian Authors' Union (DNF) and Norwegian Writers for Children (NBU) who hold the copyright to all or parts of a Manuscript constituting the point of departure for the production and viewing of Dramatic Cinema.

The Framework Agreement regulates all rights and responsibilities related to film, production and viewing rights, and shall be used by Producers that belong to the Norwegian Film and TV Producers' Association (NFTVPPF).

§2

Definitions

a) The Author

The person or persons who hold the copyright to all or parts of a Manuscript that constitutes the point of departure for the production of Dramatic Cinema for public viewing. Upon the Author's death, his or her legal heirs or a person authorised by them shall be party to the agreement.

Other concepts in this connection are 'literary author' (if the Script is based on a literary work), 'scriptwriter' (if other than the Author) and 'creator' (referring back to the copyright).

b) Synopsis

Brief description of the contents and plot of a film.

c) Treatment/film narrative

Good description of the plot and characters in a film, and partially developed dialogue, if any.

d) Script

The textual basis for a Script at all stages of development, e.g. synopsis, concept with characters and the general plot, a literary work as the basis for the Script, up to and including fully discharged and completed Scripts.

e) The Producer

Person, group or enterprise responsible for the production and public viewings of Dramatic Cinema.

f) The Work

Dramatic Cinema (hereafter referred to as the Work) within all genres and formats, including but not limited to short films, short features and feature films.

g) Film rights

Pursuant to this agreement, a time-limited exclusive right to use a literary work and/or Script as the basis for producing a film.

h) The right to produce

Pursuant to this agreement, the time-limited exclusive right to put a Script into production.

i) Film production

The term 'film production' refers to film primarily produced to be made available to the general public at the cinema, regardless of recording and storage techniques.

j) Availability to the general public/viewing rights

Pursuant to the Copyright Act, the Author basically has the exclusive right to render copies of his/her works and to make the work available to the general public. In this case, the Producer assumes the right to render copies of the Work and to make them available to the general public by disseminating copies and screening the Work, subject to the restrictions included in this agreement.

§3

Assignment of rights

By entering into a Standard Contract, the Author and the Producer agree which defined rights pursuant to the provisions of the Framework Agreement shall be assigned by the Author to the Producer.

The Framework Agreement forms the point of departure for and is included as part of the legal basis for the Standard Contract. Every contract/agreement shall be signed in writing and in advance of a production.

§3.1

The right to produce and the right to make the final recorded Work available to the general public

For film productions, the right to produce and display the final recorded Work is assigned from the Author to the Producer in exchange for the Producer paying the Author a negotiated minimum fee. The Framework Agreement's fees are stipulated relative to what is described as a full-length feature film for children, young people or adults, i.e. an ordinary playing time of

approximately 90 minutes (minimum 72 minutes under the Norwegian Film Fund's subsidy scheme regulations).

For films significantly shorter or longer than this, i.e. formats such as previews, short films, short features and features, fees are calculated in proportion to the length of the film upon signing the Standard Contract or based on more detailed negotiations between Producer and Author.

The film rights are assigned to the Producer, who gets the exclusive right to one shooting of the Script in one or more language versions and the right to renew the film with captions and/or speech in other languages for five – 5 – years upon signing the Standard Contract.

Production rights are assigned correspondingly to the Producer for five – 5 – years upon the signing of the Standard Contract.

By signing the Standard Contract, the Author assigns to the Producer all rights to make the final recorded Work available to the general public. The Producer undertakes a commitment to pay the Author a royalty on all income generated as a result of this assignment of rights.

§3.2

Derivative rights that can be assigned under a Standard Contract

The rights to be assigned shall be agreed specifically under the Standard Contract. The most relevant derivative rights that can be assigned are the following:

- When a Producer wants to make a separate television version of a Script primarily produced for the cinema, a separate contract must be signed with the Author, specifying the payment for this right and the remuneration for the additional work.
- When the Author assigns to the Producer the right to enter into agreements for the sale of spin offs/merchandise based on the Work, revenues from such exploitation of the Work shall be divided on the basis of a previously agreed written contract between Producer and Author.
- When the Author assigns to the Producer the right to resell concepts, formats and/or the right to a new recording of the Script by other producers or broadcasting companies, revenues generated by this sale shall be divided based on a previously agreed written contract between Producer and Author.

Producer and Author shall keep each other mutually apprised of initiatives with a view to the resale of rights as mentioned above and demonstrate loyalty to the agreement for the original production.

§3.3

Rights that remain with the Author unless otherwise agreed

All rights not explicitly assigned to the Producer under the Standard Contract shall be retained intact by the Author pursuant to §39 a of the Copyright Act. Such rights include:

- Exclusive and non-exclusive rights that the Author has directly or indirectly assigned to a collective rights management organisation approved pursuant to the Copyright Act's exception provisions relating to the management of rights by extended collective licensing or compulsory licensing.
- The right to other literary exploitation of the Script, including but not limited to book publications, theatre scripts or other forms of exploitation that do not compete with the rights assigned to the Producer under the Standard Contract. Where the Author assigns rights which, pursuant to the Standard Contract belong to the Author, to a third party, the Author is required to keep the Producer apprised of this on an ongoing basis.

§4

Assignment and the reversion of rights

Beyond what is established by contract, the Producer does not have the right to assign production and viewing rights to a third party without the Author's consent. This provision does not apply to any assignment of these rights to ensure the implementation of production, or in the event of the sale of the production company. The assignee is obligated under this Framework Agreement upon such assignment or sale.

Where, upon expiry of the term of the contract or specifically agreed deadlines for exploitation, the Producer does not enter into a new contract for the assignment of the rights, the assigned but unused rights shall revert to the Author.

In the event the Producer discontinues payments, opens composition proceedings or debt negotiations, goes bankrupt or is not able to take advantage of the rights assigned under the Standard Contract, this is considered a significant breach of contract. The Author can then terminate the agreement and the rights shall revert, unless the parties agree on assignment to a third party.

§5

Works with multiple creators

For Scripts with multiple creators, the principle is that they shall *collectively* enjoy the same terms and conditions as if the Script had had a single creator.

Joint works between a literary creator and a scriptwriter:

The literary creator (or his/her heirs) and the scriptwriter shall be paid 50 per cent each for the Author's rights to the Work.

Common works among concept, synopsis, script and/or dialogue authors:

The copyright is divided among the authors in accordance with a predetermined distribution key. The Agreement shall be made in writing, and the distribution key must be agreed in each individual case.

Selection of an Authors' representative

When multiple Authors contribute to the same or different stages of the compilation of the Script, a common representative can be appointed to deal with the Producer. The representative shall be authorised to decide questions about changes and adaptations on the authors' behalf, yet within the parameters of §3 of the Copyright Act.

§6 Non-economic rights

The Producer cannot make significant changes to the Script or change the nature or purpose of the Work without a detailed agreement with the Author. Otherwise, §3 of Act No. 2 of 12 May 1961 relating to Copyright in Literary, Scientific and Artistic Works, etc. shall apply.

As regards Scripts with multiple creators, the Producer cannot make significant changes or change the nature or purpose of the Work without a more detailed agreement with the representative appointed by the group of authors.

The title of the work shall be decided in consultation with the Author or the individual so authorised by the group of authors.

The Author is entitled to attribution according to generally accepted practice, both on copies of the Work and at viewings for the general public. The Author or the individual representing the group of authors is entitled to attribution on a par with the Work's director and Producer on the Work's list of credits and in other material produced in connection with the launch and promotion of the Work. The term 'material' refers, for example, to advertisements, trailers, websites, etc.

§7 Other rights and responsibilities

The Author is required to submit the Script to the Producer by the agreed deadlines. In the event the Script cannot be submitted by the agreed deadline, this shall be discussed with the Producer prior to the expiry of the deadline and a new deadline shall be agreed in writing, provided this is reasonable under the circumstances.

The Author undertakes a commitment to participate in the meetings and discussions the Producer sets up during the script development process, based on their common goal for the Work to achieve the highest possible artistic and professional standards.

The Producer shall give the Author the opportunity to meet the director of the Work. The Producer can include the Author in the production team, and furnish the Author with relevant information about the ongoing work including the production plan, etc.

The Author can participate in the reading rehearsals and can follow the work on the set and during clipping, as well as be invited to all major social functions organised during the production of the Work, such as press conferences, participation in festivals, etc.

§8

Procedures and deadlines related to the agreed submission of the Script and formation of contract

a) Agreement regarding submission of concept, synopsis or script

The Author's concept, synopsis or script shall be submitted to the Producer according to a more detailed agreement. Where the concept is still in an early stage of development, the parties can agree on minimum compensation for that part of the development phase needed to make a decision about the proposed concept.

The Producer shall confirm in writing that the submitted material was received. Within twelve weeks at the latest from the time of submission, the Producer shall communicate to the Author in writing as to whether the Producer would like to abandon the project or to sign an Option and Development Contract or the Standard Contract based on the material submitted.

Grounds shall be provided for abandonment of a project, and any agreement for minimum compensation from the Producer to the Author for the work involved in developing the concept shall fall due for payment. Where, on the other hand, the Producer decides to move ahead with the material submitted, any minimum compensation paid shall be considered part of the remuneration for the Script.

Where the Producer signs a Development Contract with the Author, the date for submission of a new draft of the script shall be agreed in writing.

Within eight weeks after submission, the Producer is required to inform the Author in writing whether the Producer would like to move ahead with or terminate the script process work.

Grounds shall be provided for any termination of the script process work.

Any continuation of the script process work shall take place in compliance with the deadlines and procedures mentioned herein.

Based on a written agreement, the Producer and the Author can jointly amend these deadlines.

b) Discontinuation of script work or production

The Producer can discontinue the script work, the project or the production at any point during development. In such case, there will be no further claims between the parties.

§9

Exclusivity

The Author declares that all rights covered by the agreement have not previously been wholly or partially sold or assigned to a third party, and that the copyright in the work belongs to him/her, such that a third party cannot by virtue of cooperation or other factors make such copyright-related claims on the work or parts of the work.

In the event the Author inadvertently signs a contract with the Producer relating to the rights covered by the agreement, despite the fact that all or part of the work has already been sold or assigned to a third party, he/she is liable for damages.

§10 Regulation of the minimum fee and remuneration rates

The rates mentioned in this document are considered minimum rates. Any party is free to conclude an agreement for a higher fee. The rates are calculated on the basis of a full-length feature film, cf. §3.1.

a) Remuneration for script development

| | |
|--------------|-------------|
| - synopsis | NOK 77 257 |
| - film plot | NOK 122 329 |
| - screenplay | NOK 122 541 |

Total script NOK 322 127

This remuneration shall be paid to the creator of the film script based on more detailed specifications in Standard Contract 2.

b) Remuneration for options

- for the first year: 10% of the minimum fee for film rights, NOK 31 918
- for renewal for 6 months: 5% of the minimum fee for film rights, NOK 15 959.

This remuneration is paid to the creator of the original literary work if said creator is a party other than the creator of the film script, based on more detailed specifications in Standard Contract 1, cf. litra d) below.

c) Remuneration for film rights

- film rights NOK 319 182.

This remuneration shall be paid to the creator of the original literary work if said creator is a party other than the creator of the film script, based on more detailed specifications in Standard Contract 1, cf. litra d).

d) Remuneration for film rights from the profits on the film (royalty, cf. §11)

- The creator of the original literary work on which the film is based shall receive 5%
- the creator of the film script shall be paid 5%
- where the above-mentioned creators are identical, the creator shall be paid 10%.

According to the agreement, the Author and the Producer can agree that parts of the Author's minimum fee can constitute working credit that is part of the film's equity.

§11 Calculation of royalties

a) Royalties for films that have reached break even

For films that have reached the break even point for reimbursement (as defined in the Norwegian Film Fund's subsidy scheme regulations), royalties to the Author shall be paid for the viewing rights assigned in the Standard Contract between Producer and Author. The settlement of accounts and disbursement of royalties shall take place a minimum of at least once a year, and three months at the latest after the end of the previous year. The Author is entitled to inspect and review the Producer's annual accounts for the film pursuant to §39 c of the Copyright Act.

b) Resale of concepts or rights to shoot the film again

Revenues from such resale shall be distributed on the basis of a pre-agreed agreement upon signing the Standard Contract between Producer and Author. The Author's percentage of resale revenues shall fall due for payment one month at the latest after the Producer has received the proceeds from the sale.

The Author is entitled to inspect and review the Producer's accounts in connection with resale pursuant to §39 c of the Copyright Act.

c) In the event of revenues accumulated through other types of exploitation that are royalty or sales-based

Other accumulated revenues shall be distributed on the basis of pre-defined agreements upon signing the Standard Contract between the Producer and the Author.

The settlement of accounts and disbursement of royalties or sales shall take place a minimum of at least once a year, and three - 3 - months at the latest after the end of the previous year.

The Author is entitled to inspect and review the Producer's annual accounts for the film production pursuant to §39 c of the Copyright Act.

§12 NORWACO

The Producer's obligations in respect of creators in connection with the production of videogrammes, etc. are regulated by a Framework Agreement between NORWACO and NFTVPPF.

§13
Resolution of disputes

Disputes between Producer and Author relating to the interpretation of this Framework Agreement and the contracts can, pursuant to agreement, be brought before a tribunal.

The tribunal shall consist of three members, one each appointed by the Producer's and the Author's organisations, and a third member of the tribunal to be designated jointly. The tribunal's decisions are merely advisory, unless explicitly agreed otherwise.

The Oslo City Court shall be the venue for disputes brought before the ordinary courts of law.

§14
Term of the Agreement

During the term of the agreement, the minimum fee and remuneration rates shall be index regulated according to the parameters of the pay settlement in the central government sector at 1 May annually, beginning on 1 May 2006.

This Framework Agreement, along with the collateral Standard Contract and the Development Contract, form an ongoing agreement that is binding on the parties as from the date of signing.

The parties can terminate the agreement on at least 12 – twelve – months' written notice.

Oslo, 15 September 2005

(For NDF)

(For NFTVPF)

Annex: Standard Contract