

SCARY MOVIE PRODUCTIONS, L.L.C.
555 Director's Chair Ave. # 4000
Hollywood, California 90028

As of May 16, 2010

John Filmguy
555 Making Movies Avenue
Beverly Hills, California 90210

Re: "THE GUMBALL SLASHER"

Dear Mr. Filmguy,

This will confirm the principal terms of the agreement ("Agreement") between you ("Director") and SCARY MOVIE PRODUCTIONS, L.L.C. ("Producer"), relating to the rendition of Director's services as director of the above referenced feature length motion picture (the "Picture").

- 1. Services:** Producer hereby engages Director and Director hereby agrees to render his services as director of the Picture. Principal photography of the Picture is intended to take place in and around Hollywood, California or such other locations as Producer shall designate with a start date tentatively scheduled to commence on or about April 1, 2010 provided that the actual start date shall be determined by Producer. Director shall render all services customarily rendered by directors of first class, feature length motion pictures in the U.S. motion picture industry, including but not limited to pre-production, production planning, principal photography, and post production services. Director's services in connection with the picture shall be on a non-exclusive, but first priority basis three weeks prior to the scheduled date for commencement of principal photography and thereafter on an exclusive basis until completion of principal photography of the Picture. Director's services shall then be non-exclusive but first priority from conclusion of principal photography until delivery of the Picture to Producer.
- 2. Compensation:** Provided that Director renders all services required hereunder and is not in breach hereof, Producer shall pay Director and Director shall accept full and complete consideration for all services and for all rights granted hereunder, the sum of five-hundred dollars (\$500.00) ("Director Fee") payable on Producer's pay schedule.

Director agrees that payment of the Director Fee shall constitute compensation for all of Director's services through delivery of the Picture to Producer and for assignment of all results and proceeds thereof.

3. **Credit:** Provided that the Director renders all services required him hereunder, is not in default hereof and actually directs the Picture, Producer shall accord the following credits:

(a) a "Directed By" credit in the name of John Filmguy

The above credit shall appear on screen, among the main titles, on a separate card. In no event shall Director's "directed by" credit appear in a size of type less than one hundred percent (100%) of the size of type of the individual producer(s) "produced by" credit, nor shall Director's "film by" credit appear in a size of type less than one hundred percent (100%) of the size of the so-called "presentation" or "production" credit or the individual producer or individual executive producer credit. As used in this paragraph, "size" shall mean height, width and thickness.

SAMPLE ONLY

4. **Paid Advertising, Billing Block:** Producer shall also accord Director the above credits in all paid advertising issued under the control of Producer and on posters, one-sheets and videocassette boxes of the Picture, in the billing block, subject to customary exclusions and practices of the U.S. distributor of the Picture. Notwithstanding the foregoing, except for award, congratulatory, group and/or nomination ads, in any so-called "excluded advertisements," Director's credit in (a) above shall be accorded if the writer, individual producer or individual executive producer receives credit and Director's credit in (b) above shall be accorded if the "production" or "presentation" credit is accorded. Producer will require third party distributors of the Picture to agree contractually to observe the credit obligations described in this Paragraph (it being agreed that any such contractual undertaking may be general in nature), but Producer shall not be in breach of this Agreement on account of any failure by third parties to so accord credit.

All other matters with respect to credit shall be in Producer's sole discretion. No casual or inadvertent failure to comply with the provisions of this Paragraph or failure by any third parties to comply with their agreements with Producer shall constitute a breach of this Agreement by Producer. Provided Producer has received written notice From Director of any failure to comply with credit obligations pursuant to this Paragraph, Producer shall undertake reasonable efforts to promptly correct such failure on a prospective basis with respect to materials thereafter created.

5. Name and Likeness: Director hereby grants to Producer the irrevocable and perpetual right by all means and in all media now known or hereafter devised, to utilize Director's name, voice, likeness and biographical material concerning Director in and in connection with the production, distribution, advertising, publicizing, exploitation and otherwise turning to account the Picture and all ancillary and subsidiary rights therein and thereto. Director further grants Producer all of the aforesaid rights, without additional compensation, in connection with a "making of" featurette and all other promotional materials of any kind relating to or referring to the Picture, including without limitation any and all still photography and/or film or tape footage of Director performing his duties in connection with the Picture as set forth herein.

6. Production Requirements: Delivery of Picture shall be in accordance with Producer's customary delivery schedule including the delivery of television cover shots as required to satisfy then prevailing network broadcast standards and practices. The Picture shall (i) be photographed and edited in strict adherence to the final approved shooting script. (subject to minor changes required by the exigencies of production); (ii) subject to changes called for by the Producer, be produced in accordance with the final approved budget and production schedule; (iii) be no less than eighty five (85) minutes (including titles) and no more than one hundred and twenty (120) minutes in length; and (iv) qualify with the Motion Picture Association of America for rating no more restrictive than the current "R".

7. **Notices:** All notices (and statements and payments if applicable) hereunder shall be in writing and shall be given by personal delivery, telegram or teletype (toll prepaid) or by registered or certified mail (postage prepaid) to the appropriate party at the following address: To Director: John Filmguy at the address stated above; To Producer at the address stated above.

8. **Assignment:** Producer may, by written instrument or otherwise, assign this Agreement or any of Producer's rights and/or obligations hereunder to any person or entity, and if such assignee assumes Producer's obligations hereunder in writing, Producer shall be relieved of further liability hereunder to the extent of such assignment. Director shall not have the right at any time to assign any rights under this Agreement or to delegate his obligations hereunder.

SAMPLE ONLY

9. **Grant of Rights:** Producer shall be the sole and exclusive owner of the Picture and all of the results and proceeds of Director's services at all times hereunder and all copyrights in and to all of the foregoing, and Producer will have the exclusive right, in perpetuity, to use, exploit, advertise, exhibit and otherwise turn to account any or all of the foregoing in any and all media, and by any and all means and devices, whether now known or hereafter devised, throughout the universe, in all languages, as Producer in its sole discretion shall determine. Any materials written or contributed by Director are being specially commissioned for use in and as part of a motion picture and are intended by Director and Producer to be a "work made for hire" by Director pursuant to Section 201 of Title 17 of the United States Code. Producer may change, alter, add to, subtract from or rearrange the Picture and all or any part of the material contributed by Director hereunder or combine it with any other material as Producer determines. Director hereby waives any and all so called "moral rights" or any similar rights of authors. Notwithstanding anything contained in the Agreement, neither the expiration of this Agreement in its normal course nor the sooner termination of this Agreement for any reason shall affect the ownership by Producer of the results and proceeds of the services rendered by Director hereunder.

10. **Custom and Usage:** This Agreement is made in and shall be construed by reference to custom and usage in the United States motion picture industry, which custom and usage, to the extent not inconsistent with the specific terms hereof, is hereby incorporated herein by reference and made part hereof. Without limiting the generality of the foregoing, such customary provisions shall include suspension and termination for default, force majeure, act of God and disability ; default provisions; delineation of services to be rendered; “pay or play”; and all other customary provisions relating to employment of directors and their obligations.

11. **Employment Eligibility:** Director hereby acknowledges that the obligations of Producer under the Agreement are subject to and conditioned upon Director’s ability to prove his identity and employment eligibility as required by the Immigration Reform and Control Act of 1986. Accordingly, Director hereby agrees at the time of execution of this Agreement to complete, execute and deliver to Producer Section 1 of an Employment Eligibility Verification (form I-9), together with documentation of employment eligibility. The obligations of Producer under the Agreement, including, without limitation, the payment of any compensation hereunder, is subject to the full completion of Form I-9 as set forth above. If Director fails to deliver the Form I-9 and present the required original documents, Producer shall have the right to terminate this Agreement and thereupon Director’s employment thereunder shall cease and terminate and neither party shall have any right, duty or obligation to the other under the Agreement except such as shall have accrued prior to the effective date of termination.

12. **Miscellaneous:** This Agreement shall be governed pursuant to the laws of the State of California, whose courts shall have sole jurisdiction over any disputes between the parties hereto arising hereunder or in connection with the Picture. Director acknowledges that Producer is not signatory to the Director’s Guild of America (“DGA”) Basic Agreement and, accordingly, the DGA Basic Agreement shall not be applicable to Director’s services hereunder. This letter when signed by Director shall constitute the Agreement between Director and Producer

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with respect to the Picture. Director agrees to execute such further documents, drafts, contracts, assignments, and acknowledgments as may be reasonably required by Producer after good faith negotiations consistent with industry custom to protect, confirm, enforce and defend its rights in the picture and in and to the results and proceeds of Director's services hereunder.

13. Videocassette: Upon condition that Director has fully performed all of the services and obligations required to be performed by Director hereunder and that Director is not in material default hereof, Producer shall, at Director's request, furnish Director with three (3) DVD copies, provided that the Director executes Producer's standard "private use" license agreement with respect thereto.

If the foregoing correctly sets forth the terms of Director's understanding, please sign in the space provided below and thereby constitute this letter a binding agreement between Director and Producer.

Very truly yours,

SCARY MOVIE PRODUCTIONS, L.L.C.

By: _____

ACCEPTED AND AGREED TO:

JOHN FILMGUY
("Director")