

## PRODUCTION GUARANTEE

MEMORANDUM OF AGREEMENT dated this \_\_\_\_\_ day of \_\_\_\_\_.

BETWEEN:

ACTRA Performers Guild (the "ACTRA")

AND

\_\_\_\_\_  
(insert name and address of Established Producer)

(the "Guarantor")

WHEREAS \_\_\_\_\_ (the "Producer") intends to produce a Production entitled \_\_\_\_\_  
\_\_\_\_\_ (the "Production");

AND WHEREAS the Producer is a party to the Independent Production Agreement covering Performers in Independent Production between the Canadian Film and Television Production Association (CFTPA) and the Association des Producteurs de Film et de Television du Quebec (APFTQ) and the ACTRA Performers Guild ("ACTRA") dated August 9, 1999 (the "IPA");

AND WHEREAS pursuant to Article A516 of the IPA, ACTRA is entitled to require that a Producer place security in the form of a cash deposit or letter(s) of credit, at the time, in an amount, and in the manner set out in the IPA unless a Production Guarantee in this form signed by an Approved Production Guarantor is accepted by ACTRA;

AND WHEREAS ACTRA has accepted Guarantor as an Approved Production Guarantor;

NOW THEREFORE the parties hereby agree as follows:

1. In consideration of ACTRA foregoing the requirement that the Producer put up a cash bond or letter of credit, Guarantor hereby guarantees the payment of all monies which would otherwise be secured by a cash bond or letter of credit pursuant to Article A516a of the IPA, including the Advance on Use or Residual Fees, Insurance, Retirement and Administration payments related to the Production.
2. If at any time, payment of any amount guaranteed herein is in default for more than 14 days, then ACTRA shall be entitled to deliver to Guarantor a formal demand in writing outlining the specific sum involved and particulars of the default. On receipt of such demand, Guarantor will forthwith pay to ACTRA the sum set out in such notice. If there is any dispute as to the amount owing by the Producer, or whether any amount is owing at all, Guarantor will nevertheless pay the sum set out in such notice to ACTRA in trust, and ACTRA will hold such sum in trust in an interest bearing account. Within 5 days of such dispute being resolved, ACTRA will refund to Guarantor any sums determined to be in excess of what was owing by the Producer, along with accrued interest.
3. ACTRA shall have the unilateral right to terminate this Agreement and revert to the requirements of Article A516b) or c) of the IPA if the payment of any amount guaranteed herein is in default for more than 14 days after Guarantor has been served with the demand provided in paragraph 2 herein.
4. Guarantor shall be released from the guarantee given herein and all obligations resulting therefrom on the sooner of the delivery to ACTRA of a Security Agreement pursuant to Article A517b) or the delivery to ACTRA of a Distribution Guarantee or Distributor's Assumption Agreement from an Approved Distribution Guarantor pursuant to Article A517c).
5. The termination of this Agreement by ACTRA pursuant to paragraph 3 herein shall in no way annul, terminate or otherwise affect the obligations of Guarantor with respect to any amounts accruing prior to the date of such termination by ACTRA, subject to paragraph 4 herein.
6. If ACTRA terminates this Agreement pursuant to paragraph 3 herein, Producer shall, within 48 hours of receipt of written notice of such termination, post security in the form of a cash deposit or letter(s) of credit in accordance with Article A516a of the IPA. If there is any dispute as to the amount owing by the Producer, or whether any amount is owing at all, Producer will nevertheless pay the sum set out in such notice to ACTRA in trust, and ACTRA will hold such sum in trust in an interest bearing account. Within 5 days of such dispute being resolved, ACTRA will refund to Producer any sums determined to be in excess of what was owing by the Producer, along with accrued interest.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date hereinabove firstly mentioned.

(Producer)

(Approved Production Guarantor)

Per: \_\_\_\_\_

Per: \_\_\_\_\_

\_\_\_\_\_  
(Name of Signatory Producer)

\_\_\_\_\_  
(Name of Guarantor)

\_\_\_\_\_  
(Address of Signatory Producer)

\_\_\_\_\_  
(Address of Guarantor)

\_\_\_\_\_  
(Phone Number of Signatory Producer)

\_\_\_\_\_  
(Phone Number of Guarantor)

\_\_\_\_\_  
(Fax Number of Signatory Producer)

\_\_\_\_\_  
(Fax Number of Guarantor)

ACTRA Performers Guild - Branch

Per: \_\_\_\_\_

Branch: \_\_\_\_\_