



## STANDARD TERMS AND CONDITIONS - COST PLUS

ChickenShack Filmproduktion GmbH (CHICKENSHACK) operates on a cost plus basis. This means that CHICKENSHACK will always use its best endeavours to work within the budgetary parameters set out in the agreed cost estimate. CHICKENSHACK will provide Client (authorised signatory on this agreement) with budgetary updates from time to time during the course of the production, highlighting possible savings made or overages incurred. It should be noted however, that the costs reflected in CHICKENSHACK's final reconciliation to Client shall be the costs that are due and payable in respect of this agreement. If preferred, a fixed price arrangement for your production can be made on request.

### Production specifications

The production specifications shall mean the storyboard, script, director notes and / or treatment and brief received by CHICKENSHACK from Client in order to prepare the approved cost estimate. Any variations or additions to this job specification at any time may result in additional costs arising.

### Cost estimate

Our cost estimate is prepared using the production specifications and is supplied to Client with a covering letter that together form the basis of this agreement. This agreement shall be governed by the laws of Germany.

### Service fees

CHICKENSHACK's standard service fees are levied at 15% and in the event that this percentage is reduced either during the bidding process or at some other time for whatever reason, CHICKENSHACK reserve the right to revert to the standard 15% in the event that a production is reconciled to Client under budget against the approved original estimate.

### Insurance included in our cost estimate

Unless otherwise stated, CHICKENSHACK's cost estimate includes cover for all German crew, cast, equipment insurance, vehicle insurance, third party liability, employers indemnity and props, sets and wardrobe cover in the case of loss or damage.

### Insurance excluded in our cost estimate

Negative insurance is excluded although cover can be extended on request.

Weather insurance is excluded although is available on request but note that 14 days notice is required to effect cover and it is essential that proposals are submitted to underwriters timeously.

Non-appearance and non-performance insurance is excluded.

All insurance for international visitors, whether production, agency crew or cast is excluded and is for Clients own account.

### Insurance notes

CHICKENSHACK reserve the right to insure any aspect of the production where risk exposure is considered to exist, any additional premium costs for which shall be for Clients account.

CHICKENSHACK will always use its best endeavours to conclude and collect in full on any insurance claim, but in the event of an insurance claim being repudiated for whatever reason, CHICKENSHACK reserve the right to charge Client for costs arising.

In any event, note that insurance excesses payable to any insurance claim relating to this agreement will be for Client account.

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#### Payment Terms

CHICKENSHACK reserves the right to raise the percentage of the 1<sup>st</sup> invoice to Client where CHICKENSHACK considers the nature of the project to require larger initial cashflow, eg. long lead time, large set build etc. Where this might be the case, a percentage figure for the 1<sup>st</sup> invoice issued to Client shall be agreed between the two parties on signature of this agreement.

Otherwise, and in all other cases, payment terms according to this agreement are as follows:

50% of the agreed cost estimate will be payable on confirmation, within 7 days of date of invoice and no later than 7 working days before the first scheduled shoot day

40% of the agreed cost estimate will be payable on the first shoot day

The balance outstanding will be invoiced to Client on Client's acceptance of CHICKENSHACK's final reconciliation, which is normally provided within three weeks of job completion.

Final payment is due within 7 days of date of invoice.

CHICKENSHACK reserves the right to invoice for up to 90% of additional costs arising in excess of the approved budget at any time during the production, with the balance on additional costs payable on reconciliation.

All invoices are due and payable in Euro.

#### Payment terms - notes

Please note that interest rates in Germany are high. As a result interest is charged on all overdue accounts at the prime borrowing rate as quoted by Commerzbank AG, plus 2%. The budget reflects costs in a currency of your choice, provided as a guideline only and calculated on the buying rate on the day of quoting. CHICKENSHACK cannot be held responsible for any fluctuations in the exchange rate and Client will be required to pay the Euro total indicated on all invoices presented. Should the Client wish to cover their risk relating to the currency, they can enter into a forward contract. Details of such to be discussed with CHICKENSHACK.

Any foreign exchange losses incurred on funds being sent in a currency other than Euro will be invoiced on the final invoice.

#### Visa

All visitors to Germany are obliged to ensure that they follow current procedures set out by the department of external affairs to ensure unobstructed passage to their destination. Production will provide details of these requirements on signature of this agreement.

#### Talent

All talent costs shall be for the Clients account irrespective of the signatory on the International Performers Agreement.

A copy of the commercial shall be provided to CHICKENSHACK on or before 45 consecutive days (45 day period) from the final shoot date. Usage fees shall be due and payable for all artistes therein deemed to be featured.

Note that according to the International Performers Agreement, it must be declared within the 45 day period which artistes were featured or not, after which without such declaration, all usages will be due and payable, regardless of whether the performer was actually featured or not.



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Client shall be wholly responsible for any foreign taxes relating to talent day fees or usage costs.

Where taxes relating to talent fees are due and payable in Germany, CHICKENSHACK shall reserve the right to charge client for these amounts either at final reconciliation stage or before at CHICKENSHACK's discretion.

#### Wardrobe & Props

All purchased wardrobe and props will be returned to CHICKENSHACK after filming is completed. Should Client wish to keep any items, notice should be given to the producer before the final day of filming, and arrangements will be made to deliver these to Client. All transportation costs shall be for Clients account.

#### Postponement

In the event of postponement, CHICKENSHACK shall provide a reconciliation of all production costs incurred up until the date of postponement, plus any costs relating to the rescheduling of the production if appropriate, the full amount for which shall be due and payable by client on presentation of CHICKENSHACK's invoice

#### Cancellation

In the event of cancellation, CHICKENSHACK shall provide a reconciliation of all production costs incurred up until the date of cancellation plus CHICKENSHACK production personnel costs, mark up fees and insurance, the full amount for which shall be due and payable by Client on presentation of CHICKENSHACK's invoice