

^_revenue^_ split, credits etc etc

From: Andrea Corbella (andrea@entmt360.com)

To: adriantofei@yahoo.com

Cc: duruyucel@hotmail.com

Date: Friday, April 20, 2018, 12:21 PM GMT+3

Dear Adrian and Duru,

As I've said, with this email I will try to explain in details how works "percentages", "points off the backend" and in general the revenue waterfall for a thatrical movie.

Ok, let's go...

THE REVENUE WATERFALL

I attach to this email a PDF, that may explain to you better than 1000 words ;)

As you can see on the graph... all the incomes of a movie (deducted from the costs of distribution/sales) form together the net profits of the movie. Then these net profits usually are splitting in 2 parts (50/50). The first one is for the investors (called "Investors pool") and the second one is for the producers ("producers pool").

So... if I will offer to you as a bonus (or for you executive producer credit) some "points off the backend", I mean some % related to the net profits into the producers pool.

ASSOCIATE PRODUCER credit

For Adrian will be something like a bonus (onscreen) credit, without a fixed salary. But instead will be 5 points off the backend for him. (5% of the net profits that will be arrive into the producers pool)

For Duru will be an (onscreen) credit, with a salary (\$25,000) because she will be a "producer consultor" and 5 points off the backend for her too.

EXECUTIVE PRODUCER (instead of Associate Producer) credit

If you agree to a partial deferred deal (40% of your payments/salaries), you will be credited as Executive Producers:

Adrian will receive the 40% with the 1st dollar of income, then he will receive % from the investors pool (the % will be calculated when we will have clear in mind who will agree on the deferred deal) and 10 points off the backend (producers pool) for him.

Duru will receive the 40% with the 1st dollar of income, then she will receive % from the investors pool and 10 points off the backend (producers pool) for her too.

So as an executive producer you can raise more money as you will be an investor of the film, not only a writer/director and producer.

Resuming your payments/salaries will be:

Original Screenplay:

USD 50,039 (splitted into 3 installments: final draft 100% approved, begin of pre-prod and begin of shootings)

Adrian as the Director:

USD 75,000 (splitted into 4 installments: begin of pre-prod, begin of shootings, begin of pre-prod, end of pre-prod)

Duru as Producer Consultant:

USD 25,000 (splitted into 4 installments: begin of pre-prod, begin of shootings, begin of pre-prod, end of pre-prod)

TOTAL: USD 150,000

If you agree to defer 40% of the payment of this 150K USD (60K) you will receive the Executive Producer credit with a percentage into the investors pool + more points off the backend too. If not, you will receive an Associate Producer credit.

Okay, I hope that I've explain in a good and clear way how it works.

I'm sending also in attachment a DRAFT/SAMPLE (not the real one pre-contract) for you Adrian... this way you can start read and understand the terms etc etc

If you have any doubt or question we can discuss into our next call maybe or send me an email ok?

Have a nice friday!

Best,

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film-revenue-waterfall.pdf

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