Publisher [or Agent]

Address

As of Month Day, 20XX

Book Rights Owner (“Party 1”)

Address

City State, Zip

RE: Opera Project

Dear XXX :

Publisher [or Agent] (the “Publisher”) writes to confirm the understanding between the Publisher and Party 1 (the “Proprietor”) regarding the creation of the composition of an opera (the "Opera) by Party 2 (the "Composer") based on the literary work written by Party 3 (the “Author”) entitled BOOK NAME (the "Literary Work"). Following are the salient points of our understanding:

1. Proprietor hereby grants Publisher the right to cause an Opera based on the Literary Work to be created, including but not limited to the right to use the scenes, characters, dialogue or any other narrative material from the Literary Work in the Opera. Publisher intends to engage a librettist (the "Librettist") to prepare the libretto to the Opera (the "Libretto"), which selection shall be subject to Proprietor’s approval. Party 4 is pre-approved as the Librettist.
2. The Proprietor hereby grants Publisher the right to cause the Opera to be performed on the operatic stage and such other live opera performance venues as Publisher may choose. It is Publisher’s intention to enter into an agreement for the world premiere of the Opera and no fewer than six (6) additional performances to be held at the Grand Opera House (the “GOH”) in the 20XX-20YY Season (the "World Premiere Run"). Publisher will use all commercially-reasonable efforts to cause GOH to provide a total of four (4) complimentary tickets for the world premiere performance or such other performance(s) during the World Premiere Run as Proprietor may request, and a total of four (4) house seats for one or more performances during any subsequent productions provided that any such house seat request is received by the Publisher at least seven (7) days in advance of each such performance. If for any reason Publisher does not enter into an agreement with the GOH for the world premiere of the Opera, Publisher will advise the Proprietor and the selection of another venue or producer for the world premiere shall be subject to Proprietor’s approval.
3. Provided that the Publisher obtains the relevant rights from Motion Picture company (“MovieCo”), and subject to the terms of MovieCo’s letter to Publisher dated as of Month Day, 20XX, the Proprietor further consents to Publisher’s recording live performances of the Opera and exploitation of said recordings of the Opera in any and all media now known or hereafter created, including but not limited to CD, DVD and home video distribution, digital distribution, internet streaming and download, television, terrestrial and satellite radio broadcast, and cinematic release. The Proprietor will receive one (1) complimentary copy of any permitted recording of a live performance of the Opera. The Proprietor grants Publisher the right to reproduce the Libretto and to use Author’s name, pre-approved likeness and pre-approved biographical material in connection with the exploitation of the Opera as provided under Paragraph 9 of this Agreement, but not as an endorsement of any product or service.
4. Publisher will have full promotional rights in the Opera for publicity use in accordance with customary industry practices, including without limitation the use of text excerpts of 5,000 words or 10% of the total Literary Work, whichever is less.
5. The term of the rights granted shall be for the life of copyright or other legal protection for the Literary Work in each territory of the universe, including any renewal, extension, revival or restoration of any such right. Proprietor will not grant the rights to make another opera based on the Work to any other party for performance prior to December 31 of the year in which the fifth anniversary of the world premiere performance of the Opera occurs (the “Anniversary”). Following the Anniversary if at any time the total revenue generated by the Opera is less than \_\_\_\_\_\_ Thousand Dollars ($XX,000) per year in a calendar year, the Publisher’s rights shall become non-exclusive. Notwithstanding the foregoing, in the event that the World Premiere Run does not take place by Month Day, 20XX, all rights granted to Publisher hereunder shall revert to Proprietor without prejudice to any monies paid by the Publisher to Proprietor under the terms hereof prior to such reversion or to the Proprietor’s right to receive its share of any Use Income (as defined in paragraph 6 below) that may be due at the time of, or which becomes due following, such reversion. Should GOH propose to postpone the World Premiere Run to a date not later than Month Day, 20XX, GOH may request permission to extend the deadline set forth in the prior sentence and Proprietor may agree to extend the reversion date, with Proprietor’s approval of such an extension not to be unreasonably withheld or delayed.
6. In consideration of Proprietor’s grant of rights to Publisher as well as the warranties, representations and other covenants made in this Agreement, Publisher shall pay Proprietor, or cause Proprietor to be paid, an initial payment to acquire the rights granted herein of \_\_\_\_\_\_\_ Thousand Dollars ($XX,000) (the "Initial Underlying Rights Fee") upon the full execution of this Agreement. Publisher shall pay Proprietor royalties with respect to all uses of the Opera authorized herein in any permissible medium, excluding rental fees, (“Use Income”) equaling Twenty-Five Percent (25%) of 100% the aggregate share payable to the Composer and the Librettist as “author” of the Opera, but not less than 1.5% of Gross Box office receipts. It is understood that Use Income shall not include any rental fees received for the physical performance materials of the Opera or for the personal services of the Librettist or the Composer in connection with the creation of the Opera, including but not limited to personal services in composing, writing, orchestrating, editing, producing, directing or promoting the Opera provided that such payments are customary in amount for the industry and in keeping with the respective status of the Composer and the Librettist.
7. Publisher will remit to Proprietor the Proprietor’s share of Use Income semi-annually within sixty (60) days after June 30 and December 31 of each year, provided that the first such payment shall not be made until Use Income in excess of Twenty-Five Dollars ($25.00) has accrued to the Proprietor (but a statement shall be rendered regardless of whether payment is due). Any such payments shall be accompanied by a statement of account showing in detail all sums received by the Publisher in respect of the Opera, the Use Income payable in respect thereof and any deductions permitted under this Agreement. Proprietor or its representative may have a firm of independent chartered accountants, during normal business hours and on reasonable notice, but not more than once in respect of any accounting period of exploitation of the Opera, inspect Publisher’s records relating to the Opera at Publisher’s premises and pertaining to a maximum of six years immediately preceding the date of the audit to verify the correctness of all payments and accompanying statements. Any such inspection shall be at Proprietor's expense unless such inspection reveals errors amounting to 10% or more in the statements and payments in question, in which case Publisher will pay the actual direct costs of the inspection, excluding any travel or subsistence fees of the auditors, plus interest within 30 days of determination of the error. In the event Publisher fails to make any payments or render any statements owed to Proprietor under any of the terms of this Agreement when due and payable and such failure is not remedied within ten (10) business days of Publisher’s receipt of written notice thereof, the same will be a material breach hereunder.
8. Except for the rights granted to us in this Agreement and the rights held by MovieCo, all rights of every kind and nature in the Literary Work are reserved to Proprietor for its use. Without limiting the generality of the foregoing, Proprietor hereby reserves all print and/or book publication rights; author-written prequels, sequels and remake rights; advertising rights; life rights; television (whether live, filmed, taped or otherwise recorded, and including series rights); non-operatic theatrical and/or musical stage rights and/or allied and incidental rights in the Literary Work and any and all screenplays or other adaptations thereof, whether heretofore written by the Author or any other person; radio; audio discs and other storage devices; all rights to exploit, distribute and exhibit any motion picture or other production in all media now known or hereafter devised; merchandising rights; electronic text; and electronic rights. For the avoidance of doubt, all film and allied rights are reserved by Proprietor, subject to the existing rights previously granted to MovieCo, other than such rights as MovieCo may grant in respect of audio-visual recordings of performances of the Opera. For the further avoidance of doubt, Publisher shall not have the right to produce or to authorize others to produce derivative versions of the Opera.
9. Publisher shall give, or cause to be given, credit for the Opera substantially in the

following form, where the specified percentages refer to the size of type for the credit, and on the understanding that Author’s credit will be of the same type, length and prominence as that afforded to the Composer and Librettist of the Opera:

Opera Name Here (100%)   
An opera by Party 2 (50%)   
Libretto by Party 4 (50%)   
Based on the book of the same name by Party 3 (50%)

Subject to authorization from MovieCo, Publisher will use the title of the Literary Work as the title of the Opera unless Publisher and the Proprietor agree upon another title. Publisher will use all commercially-reasonable efforts to ensure that the Author receives the credit specified above on all printed programs, and publicity for uses authorized hereunder. In addition, Publisher shall use all commercially reasonable efforts to cause the pre-approved biography of the Author to appear at the same length and prominence as those for the Composer and Librettist in each and every program for the Opera. No such inadvertent failure by a licensee of Publisher to give credit or include a biography shall constitute a breach of this Agreement provided that Publisher takes all necessary steps to cure such breach on a prospective basis following notice of such failure being given by Proprietor to Publisher.

1. Publisher shall own all rights of every kind and nature in the Opera, including

but not limited to the copyright and the right to register said copyright in the Opera as a derivative work of the Literary Work, with the full right to use any or all of the rights granted to Publisher herein, and subject to the limitations specified in Publisher’s agreement with MovieCo, the rights reserved to Proprietor and Publisher’s obligation to Proprietor under this Agreement. Publisher shall act as the music publisher, under terms and conditions customary in the classical music publishing industry for arms-length transactions, and Publisher shall collect all monies deemed earned by the Composer and Librettist to be accounted hereunder and shall pay directly to the Proprietor the applicable sums due to Proprietor under this Agreement, which sums shall be calculated by us as set forth in Paragraphs 6 and 7 above.

11. Proprietor warrants and represents that it has the full right and authority to enter into this Agreement subject to the Publisher reaching an agreement with MovieCo, that Proprietor has not previously granted to any other party any of the rights Proprietor are granting to us under this Agreement (except as explicitly acknowledged herein), and that the Literary Work is either original with the Author, in the public domain, or that any materials owned by other parties have been fully cleared and that to the best of Proprietor’s knowledge the rights Proprietor has granted to Publisher under this Agreement will not violate or infringe any right of any other party.If any of the foregoing warranties and representations are breached, Proprietor will and does hold Publisher and all persons claiming by or through Publisher harmless from any and all loss or damage, including reasonable outside attorney's fees and disbursements resulting from a third party claim based on said breach, and will pay same upon a final judicial determination that a breach has occurred or a settlement approved by Proprietor (which approval shall not be unreasonably be withheld or delayed).

12. Publisher warrants and represents that it has the full right and authority to enter into this Agreement, and that the Composer's and Librettist's contributions to the Opera will be either original with the Librettist and the Composer, in the public domain, or that any materials owned by other parties will have been fully cleared (for the avoidance of doubt, the Literary Work is being cleared under this Agreement) and that the materials contributed by Composer and Librettist to the Opera will not violate or infringe any right of any other party. If any of the foregoing warranties and representations are breached, Publisher will and does hold Proprietor and all persons claiming by or through Proprietor harmless from any and all loss and/or damage, including reasonable attorney's fees and disbursements, and will pay same upon a final judicial determination that a breach has occurred or a settlement approved by Proprietor (which approval shall not be unreasonably be withheld or delayed) demand. Publisher shall further hold Proprietor harmless from any and all claims, loss, and/or damage, including reasonable attorney's fees and disbursements arising out of the exploitation of the Opera or of the rights granted herein.

13. Proprietor shall execute promptly such other documents, including but not limited to copyright instruments, performance licenses and publishing agreements, as Publisher may request in order to fulfill the purposes of this Agreement and consistent with the terms hereof, after a reasonable opportunity to review and negotiate said documents.

14. All sums of money due to Proprietor under the terms of this Agreement shall be paid by check and sent to the applicable party as follows:

Party 1

Address

City State, Zip

All notices hereunder shall be sent to the parties at the addresses specified above.

15. This Agreement shall be interpreted under the laws of the State of New York,

United States of America, applicable to agreements made and to be performed fully in that State.

16. While Proprietor and Publisher may decide to enter into a more formal agreement in the future, until such time as they do, if ever, this letter Agreement shall constitute a binding agreement according to its terms.

Sincerely yours,

Name of Publisher

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name

Title:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

ACCEPTED AND AGREED TO:

Party 1

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(name, title)