SCHEDULE 13
DISTRIBUTION ASSUMPTION AGREEMENT
(SEE ARTICLE 14.13)

The Distributor shall sign the following Distributor's Assumption Agreement on its own letterhead and forward it to the local District Council office.

Whereas (the "Distributor") is an approved distribution guarantor, and has acquired from_____
(the "Producer")

certain rights in the Production entitled _____(the "Production");

And Whereas the Production was produced pursuant to the 2010 - 2012 Standard Agreement between the Canadian Media Production Association (CMPA) and the Directors Guild of Canada, _____District Council (the "District Council");

The parties hereto agree as follows:

1. In consideration of the District Council agreeing to the licence of the rights described herein in the Production to the Distributor, the Distributor agrees that it, its successors, assigns and related companies that are not dealing at arm's length (collectively the Distributor), are bound by all continuing obligations contained in the Standard Agreement to remit Director rights acquisition fees and all other amounts payable after production pursuant to the Standard Agreement. The Distributor acknowledges receipt of the Standard Agreement and warrants that all Director rights acquisition fees and all other amounts payable after production that shall become due and payable pursuant to the Standard Agreement shall be paid under the terms and conditions contained in the Standard Agreement.

2. The Distributor is distributing or licensing the Production:

(a) **(i)** ☐ in perpetuity (i.e. for the period of copyright and any renewals thereof), or

(ii) ☐ for a limited term of _____ years.

(b)	**Territories: (please provide list)**	**(c)**	**Media: (please provide list)**
(i)	_____	**(i)**	_____
(ii)	_____	**(ii)**	_____
(iii)	_____	**(iii)**	_____
(iv)	_____	**(iv)**	_____
(v)	_____	**(v)**	_____

3. The Distributor acknowledges and agrees that its right to distribute or license the Production or to in any way exploit the rights in the Production that it is licensing, shall be subject to and conditioned upon the prompt payment of Director rights acquisition fees and all other amounts payable after production pursuant to the Standard Agreement to the District Council. It is agreed that the District Council shall be entitled to pursue all remedies available at law, in the event that such payments are not made when due in addition to the remedies provided for in the Standard Agreement.

4. The Distributor acknowledges that all payments are due within the time limits set out in accordance with the provisions of the Standard Agreement. The Distributor shall also make available for inspection by the District Council all statements delivered to the Producer or to Government funding agencies or financiers regarding gross revenues. Any payments received after the due date shall be subject to interest at the rate of interest set out in the Standard Agreement, and shall be payable in addition to all amounts payable under article DR18.02 of the Directors' Schedule.

5. The Distributor acknowledges its obligation that while it is holding Director rights acquisition fees and all other amounts payable after production pursuant to the Standard Agreement, prior to their disbursement, such monies are deemed to be held in trust for the Guild Members until disbursement to the District Council. In the enforcement of this article, the District Council, subject to its rights as a creditor, shall agree to not hold any employee of a Producer (or Distributor) liable for negligence, provided the said employee acts in a bona fide fashion.

6. As the Producer has executed a security Agreement and financing statement in favour of the District Council, the Producer acknowledges and agrees that its right to exploit the Production are subject and subordinate to the District Council's interest. The District Council agrees that so long as all the continuing obligations contained in the Standard Agreement with respect to the Guild Members in the Production, are remitted in a timely manner, it will not exercise any rights under its security agreement which would in any way interfere with the Purchaser's rights in respect of the Production.

7. The Distributor will only be relieved of its obligations to the District Council upon any sale or other disposition of the Production or any rights in the Production to a third party, if the third party which acquires the Production or any such rights signs an Assumption Agreement in this form with Distributor and the District Council.

8. The District Council hereby relieves the Producer of its obligations under the Standard Agreement with respect to the Production.

9. The parties hereto acknowledge that any dispute arising from the interpretation, administration or enforcement of the Agreement and the relevant articles of the Standard Agreement shall be submitted to final and binding arbitration under article 10.

Dated this ____ day of _____, 20__

Distributor

Per: _____ _____

(print name / title)

Directors Guild of Canada, _____ District Council

Per: _____ _____

(print name / title)

Producer

Per: _____ _____

(print name / title)