

Performing Arts Bonus Program Illustration

**Example:**

Perhaps you are a Director of Photography. Cinematography is 5% of the total Performing Arts Bonus. If you completely handled the camera work for a production, you might be rewarded with 100% of the Cinematography Pool, or 5% of the overall bonus.

Of course any of camera work that the Executive Producer must perform, or must hire others to perform, would dilute the shares of the pool.

If an individual Cinematographer is awarded 100% of the Cinematography Pool, then that person will receive 5% of the Performance Arts Bonus Program, based on the Net after-expense, after-tax (NAEAT) profits from the distribution of the movie.

*Illustrations*

**Bonus from the Movie: The Performing Arts Bonus Program**

FILMdyne’s NAEAT profit for a movie is \$200,000. 20% of this funds the PA Bonus Program, of which 5% is the Cinematographer’s Pool. 100% of that pool is worth \$2,000.

**Bonus from the Script: The Performing Arts Bonus Program**

A major studio wants to license the movie to remake the film with *their* stars. FILMdyne’s NAEAT profit is \$500,000. 20% of this funds the PA Bonus Program, of which 5% is the Cinematographer’s Pool. 100% share of that pool is worth \$5,000.

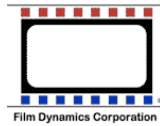
**Bonus from the Book: The Performing Arts Bonus Program**

A distributor wants to license the movie for the purpose of DVD sales in Europe. FILMdyne negotiates a 1/2% royalty on DVD sales. FILMdyne’s NAEAT profit during the first year is \$20,000. The PA Bonus Program Cinematographer’s Pool is worth \$200.

Award from the sale of the original FILMdyne movie:	\$2,000
Award from the license of the movie for the re-make:	\$5,000
Award from distribution royalties of the DVD in Europe:	<u>\$200</u>

**Total Bonus:** \$7,200

If you are participating in the Performing Arts Bonus Program you can receive awards from ANY of the pools in the program. For example, a Sound Engineer who handles recording during the Production and handles Sound Editing and Mix in Post-Production could earn both pools for a total of 10% of the PA bonus.



### Literary Arts Bonus Program Illustration

#### Example:

To earn 100% of the Authors Bonus Pool, an author would contribute as follows:  
 Develops an original idea. Writes that idea into a completed script. Modifies the script to make it produceable as necessary. Attends Pre-Production meetings and advises the Executive Producer in creative choices. Attends Production shoots and advises the Director and Producer. Provides marketing and sales assistance by writing log lines, DVD text, TV and Radio spots. Novelizes the script into a book.

Of course any of this work that the Executive Producer must perform, or must hire other authors to perform, would dilute the shares of the pool.

100% of the Authors Bonus Pool is paid on 20% of the NAEAT (Net after-expense, after-tax) profits (NAEAT from the direct sale or licensing of a finished script or book).

If the script is selected for production, the Authors Pool is *additionally* mapped to the Writers Pool of the Performance Arts Bonus Program. If a single author is awarded 100% of the Authors Pool, then that author automatically is awarded 100% of the Writers Pool, which is 5% of the Performance Arts Bonus Program.

#### *Illustrations*

##### **Bonus from the Movie: The Performing Arts Bonus Program**

FILMdyne's NAEAT profit for a movie is \$200,000. 20% of this funds the PA Bonus Program, of which 5% is the Writers Pool. 100% of that pool is worth \$2,000.

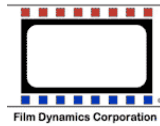
##### **Bonus from the Script: The Literary Arts Bonus Program**

A major studio wants to license the script to remake the film with *their* stars. FILMdyne's NAEAT profit is \$50,000. 20% of this funds the LA Bonus Program, of which 100% is the Authors Pool. 100% share of that pool is worth \$10,000.

##### **Bonus from the Book: The Literary Arts Bonus Program**

A publisher wants to license the script for the purpose of developing a novel based on the movie. FILMdyne negotiates a 1/2% royalty on books sales. FILMdyne's NAEAT profit during the first year is \$20,000. The LA Bonus Program Authors Pool is worth \$4,000.

Award from the sale of the original FILMdyne movie:	\$2,000
Award from the license script for the re-make:	\$10,000
Award from distribution royalties of the novelization:	<u>\$4,000</u>
<b>Total Bonus:</b>	<b><u>\$16,000</u></b>



Artistic Works Bonus Program Illustration

**Example:**

To earn 100% of the Artists Bonus Pool, an artist would contribute as follows:  
 Develops an original *style* or *look*. Provides a complete storyboard for the movie. Develops original artwork used in backgrounds in the movie. Attends Pre-Production meetings and advises the Executive Producer in creative choices. Attends Production shoots and advises the Director and Producer. Provides Post-Production support by developing original artwork such as 3D figures, Scenes, and Props used in effects Provides marketing and sales assistance by creating a poster, artwork for DVD and CD covers, and artwork for TV and print advertisements.

Of course any of this work that the Executive Producer must perform, or must hire other artists to perform, would dilute the shares of the pool.

100% of the Artists Bonus Pool is paid on 20% of the NAEAT (Net after-expense, after-tax) profits (NAEAT from the direct sale or licensing of a finished piece of art.

If the artwork is selected for use in production, the Artists Pool is *additionally* mapped to the Designers Pool of the Performance Arts Bonus Program. If a single artists is awarded 100% of the Artists Pool, then that artist automatically is awarded 100% of the Designers Pool, which is 5% of the Performance Arts Bonus Program.

*Illustrations*

**Bonus from the Movie: The Performing Arts Bonus Program**

FILMdyne’s NAEAT profit for a movie is \$200,000. 20% of this funds the PA Bonus Program, of which 5% is the Designers Pool. 100% of that pool is worth \$2,000.

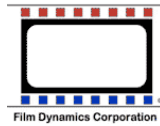
**Bonus from the Script: The Literary Arts Bonus Program**

A major studio wants to license the artwork to remake the film with *their* stars. FILMdyne’s NAEAT profit is \$50,000. 20% of this funds the LA Bonus Program, of which 100% is the Artists Pool. 100% share of that pool is worth \$10,000.

**Bonus from the Book: The Literary Arts Bonus Program**

A publisher wants to license the poster for the purpose of developing a T-shirt based on the movie. FILMdyne negotiates a 1/2% royalty on T-shirt sales. FILMdyne’s NAEAT profit during the first year is \$20,000. The LA Bonus Program Artists Pool is worth \$4,000.

Award from the sale of the original FILMdyne movie:	\$2,000
Award from the license of the artwork for the re-make:	\$10,000
Award from distribution royalties of the T-shirt:	<u>\$4,000</u>
<b>Total Bonus:</b>	<b><u>\$16,000</u></b>



### Leadership Bonus Program Illustration

**Example:**

A person is the Director of a FILMdyne movie, with responsibilities in pre-production, production, and post-production. The Executive Producer awards this person with 33 $\frac{1}{3}$  % share in the Production Pool, which is shared with the Director of Photography and the Producer.

The Leadership Bonus Program represents 20% of the net after-expense, after-tax profits from the movie product license or sale. This is independent of the 20% awarded in the Performing Arts Bonus Program. The Production Pool is worth 30% of the total, or 6% of the NAEAT profits. 1/3rd of that pool is worth 2% of the total.

*Illustrations*

**Bonus from the Movie: The Leadership Bonus Program**

FILMdyne's NAEAT profit for a movie is \$200,000.

20% of this funds the Leadership Bonus Program, which is \$40,000.

30% of this funds the Production Pool, which is worth \$12,000.

1/3rd of this Pool is worth \$4,000.

**Bonus from the Movie: The movie is picked up for Distribution**

FILMdyne's NAEAT profit from a one-time payment is \$1,000,000.

FILMdyne's NAEAT profit for a 1% distribution royalty generates \$250,000 in the first year.

**One-time payment:**

Leadership Bonus Program: \$200,000.

Production Pool: \$60,000.

1/3rd of the Pool: \$20,000.

**Royalty payment for the first year:**

Leadership Bonus Program: \$50,000.

Production Pool: \$15,000.

1/3rd of the Pool: \$5,000.

**Bonus for the year: \$25,000.**