

EXHIBIT "B-1"

STANDARD LETTER OF GUARANTY FOR QUALIFIED DISTRIBUTORS/BUYERS

Date:

Re: (Identify Picture and Employer)

Dear _____:

1. This is to confirm that _____
_____ ("Guarantor"), a Qualified Distributor/Buyer which is a signatory to the Qualified Distributor/Buyer Letter of Agreement with the Directors Guild of America ("DGA"), hereby unconditionally guarantees the performance of all of the Employer's obligations to pay additional compensation ("Residuals") as required under the Directors Guild of America Basic Agreement ("Basic Agreement") and the Qualified Distributor/Buyer Letter of Agreement (set forth in Exhibit "A-1" of this Agreement and incorporated herein by this reference) which becomes payable under DGA's jurisdiction with respect to the motion picture entitled " _____ " ("the Picture"), as a result of the distribution, exhibition or exploitation of the Picture in _____ [describe media, territories and term].
2. The undersigned further agrees to comply with all record-keeping and reporting obligations under the Basic Agreement with respect to the exhibition, distribution or exploitation of the Picture, and the Guild shall have the right at reasonable times and upon reasonable notice to examine the books and records of Guarantor pertaining to such exhibition, distribution or exploitation as they relate to the payment of Residuals hereunder.
3. By executing this Guaranty, Guarantor acknowledges and agrees that it is guaranteeing the performance of all of the obligations required of a distributor by the Distributor's Assumption Agreement in the Basic Agreement with respect to the distribution, exhibition or exploitation of the Picture in the media, territories and for the term referred to in Paragraph 1. above.

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4. It is expressly understood that the right of Guarantor or Employer to distribute, exhibit or exploit the Picture in the media, territories and for the term described in Paragraph 1. above shall be subject to and conditioned upon the prompt payment of Residuals due therefor, in accordance with the Basic Agreement. Guarantor further agrees that the Guild shall be entitled to injunctive relief against Guarantor and/or Employer in the event that such payments are not made.
5. Nothing herein is intended, nor shall it be construed, to impose any greater obligations on the Guarantor than would apply to a Qualified Distributor under the Qualified Distributor/Buyer Letter of Agreement. By the same token, Guarantor shall be entitled to all of the rights and benefits accorded to a Qualified Distributor.
6. This Guaranty is a continuing guaranty binding upon the Guarantor and its successors and assigns, and inuring to the benefit of, and enforceable by, the Guild and its successors and assigns. The obligations of Guarantor hereunder shall not be discharged, affected, impaired or released by any insolvency, bankruptcy, reorganization, merger, affiliation, liquidation, dissolution or similar proceeding.
7. Any demands against Guarantor for a default by the Employer shall be governed by Paragraphs 4. and 5. of the Qualified Distributor/Buyer Letter of Agreement. Any written notices concerning the non-payment or other non-satisfaction of any obligation in connection with payment of Residuals under the Basic Agreement or Distributor's Assumption Agreement sent by the Guild to Employer with respect to the Picture shall also be delivered to Guarantor in the manner set forth in Paragraph 8. below.
8. All notices, requests, demands or other communications required or permitted pursuant to this Guaranty shall be in writing and must be (a) given by personal delivery, or (b) sent by registered mail, postage prepaid, return receipt requested, or (c) sent by telecopy with a copy by mail, addressed to the party to receive the Notice at the following address or to such other address as a party hereto may hereafter specify pursuant to this paragraph. Notice will be deemed to have been duly given or made (a) immediately upon personal delivery, or (b) five (5) days from the date of mailing if

mailed within the United States of America or seven (7) days from the date of mailing if mailed across national borders. Notice shall be sent as follows:

To Guarantor: _____

Address: _____

Attention: _____

Facsimile: _____

With courtesy

copy to: _____

Address _____

Attention: _____

Facsimile: _____

To DGA: 7920 Sunset Boulevard
Los Angeles, CA 90046-0907

Attention: David Korduner

Facsimile: (310) 289-2031

By: _____

Authorized Officer

(Please type in name)

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