

Final Examination
Content Licensing 823-LSN
Professor Reggie
Spring 2006

1. You have **three (3) hours** to complete this exam.
2. This is an **open book** exam.
3. This exam consists of two parts.

Part I consists of one (1) essay question. This question will constitute 70% of your examination grade.

Part II consists of one (1) essay question. This question will constitute 30% of your examination grade.

4. Write your exam number on your exam envelope. Put your correct class section and student exam # at the top of this page, each page of questions and each blue book. **Do not** use your name, student ID number or Social Security Number on any exam materials.
5. At the conclusion of the exam, return all test materials, including blue books, scratch paper, and this exam packet to the envelope and submit it to the proctor. **DO NOT** seal the envelope. Students who do not return all exam materials at the end of the exam may not be graded.

GOOD LUCK!

Part I: Essay Question 1 (70 points)

Recommended Time: 2 hours

Your client, Mr. W, is an aspiring screenwriter and well respected author of original fiction. His latest, most personal, novel, *Leviathan*, stayed atop the NY Times Bestseller list for over a year. Omniversal Studios optioned the rights to *Leviathan*, in a balanced deal that reflected all of your client's interests, after reasonable negotiation with you. Immediately after paying the initial option fee/advance, Omniversal made additional payments to exercise its rights to theatrical film, TV, video, and related promotion. The film, an epic drama, went into production three years ago and generated major buzz. However, due to the director's perfectionism, it went beyond schedule and over budget. When it was finally delivered, it cost over \$300 Million to produce, and Omniversal was

forced to lay off some of the downside on Principal Pictures Corporation ("PPC"). In what turned out to be a tremendous coup, PPC paid Omniversal \$20 Million in exchange for all domestic distribution rights to *Leviathan*, which became the number one grossing film in history.

Draft a ten point deal memo for the option agreement described above between your client and Omniversal for the novel *Leviathan*. Each point should consist of a paragraph summarizing the provision you would include in a longform agreement for this grant of rights.

Part II: Essay Question 2 (30 points)

Recommended Time: 1 hour

Draft: (1) the grant of rights; (2) representations and warranties; and (3) indemnification provisions of the agreement for PPC's acquisition of distribution rights from Omniversal for the film *Leviathan*. Each provision should consist of the actual language you would include in this agreement.

END OF EXAM