

[COMPANY NAME]

[DATE]

ENTER NAME

ADDRESS

CITY, ST ZIP

Dear NAME:

This letter will constitute an agreement between us concerning certain monies to be advanced by you to us for use in connection with expenses incurred and to be incurred for the stage production of a dramatic production (the "Play") with the current working title of "[TITLE OF SHOW]."

1. Upon the execution of this Agreement, you agree to pay us the amount of [AMOUNT] (\$[XX,XXX,XX]) (the "Advance"), to be used by us, in our sole discretion, for pre-production and production expenses incurred in connection with the Play.

2. In consideration of the Advance paid to us hereunder, you and we agree as follows:

A. Out of the Producer's share of the net profits, if any (as such term is usually defined in theatrical enterprises), derived by the limited partnership or other entity (the "Production Company") from the exploitation of the Play, you shall be entitled to receive a sum equal to one hundred percent (100%) of the net profits, if any, which you would be entitled to receive as a limited partner purchasing a [AMOUNT] (\$[XX,XXX.XX]) interest in the Production Company, subject to all rights of refund, rebate and return as are applicable to the Producer's share under the limited partnership agreement. For example, if the Production Company is capitalized at [AMOUNT OF CAPITALIZATION] (\$X,XXX,XXX.XX) and [AMOUNT OF FRONT MONEY INVESTMENT] (\$[XX,XXX.XX]) would entitle a limited partner to receive [HALF OF PERCENTAGE INVESTMENT] percent (X%) of the Production Company's net profits, we shall pay you out of the Producer's share of net profits an additional [HALF OF PERCENTAGE INVESTMENT] percent (X%) of the Production Company's net profits.

B. We shall have no obligation to repay any of your Advance to you except as follows:

(i) At the time the Production Company which is formed to produce the Play is fully capitalized, at your option, the Advance shall be deemed to be the equivalent of a cash contribution in the amount of the Advance by you to the capitalization of the Production Company, and you shall be a limited partner or investor therein to the extent of such contribution, with equal or ratable rights, preferences and privileges as all other investors thereunder. You shall sign such Production Company Agreement and, at

ADDRESS CITY, STATE ZIP

XXX-XXX-XXXX phone XXX-XXX-XXXX fax

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the same time and in the same manner as all other limited partners or investors. Each limited partner or investor in such entity producing the Play shall receive that proportion of fifty percent (50%) of the net profits, if any (as such term is usually defined in theatrical enterprises), as the amount of the contribution of such limited partner or investor bears to the total contributions of all limited partners or investors.

(ii) If you elect not to be designated as a limited partner of the Partnership, prior to exercising your option to be so designated, you will receive a full refund of your front money contribution, without interest, in the event and at such time as the Partnership is fully capitalized. As a result thereof, you shall only be entitled to the consideration specified in Paragraph 2(A) of this agreement.

(iii) If we abandon the production of the Play (as provided in Paragraph 3 herein), we shall return any unused portion of the Advance to you, along with a summary of expenditures upon your request.

3. If and when we commence our efforts to fully capitalize the Production Company, we will advise you of the terms of any opportunities we create for major investors to become co-producers or associate producers. If within 15 business days from the time we so notify you you advise us that you would like to become a co-producer or associate producer, we will provide you with a co-producer or associate producer agreement on terms no less favorable than those offered to co-producers or associate producers committing to invest (or to cause to be invested) the same, or a lesser amount, than you commit to invest. The amount of the Advance will be taken into account in determining the amount of your co-producer or associate producer commitment.

4. It is understood that we shall have the right, in our sole discretion, if we shall deem it appropriate, to abandon the production of the Play at any time, whether before or after the formation and full capitalization of the Production Company or the commencement of rehearsals, without any obligation to you hereunder, except for the return of any unused portion of the Advance.

5. It is specifically understood and agreed that under no circumstances shall you be deemed to be a general partner or joint venturer with us by reason of this agreement, and we agree to indemnify and hold you harmless against any liability, cost and/or expense, which you may incur in excess of your Advance hereunder. Notwithstanding the foregoing, our proper use of funds if not returned or recovered by you shall not be covered by the foregoing indemnity.

6. You represent and warrant that you are at least twenty-one (21) years of age and that you have no intention of selling or otherwise transferring or assigning your interest in this production as set forth herein or in the Production Company, and that you are acquiring such interest for investment purposes only and not with a view to the resale or distribution thereof.

7. This Agreement is made in the City of New York and shall be governed and enforced in accordance with the laws of the State of New York.

8. This Agreement shall inure to the benefit of and shall be binding upon the parties hereto and their respective heirs, executors, administrators, legal representatives and successors, but shall not be assignable except upon the mutual written consent of the parties hereto.

9. You acknowledge that you are purchasing the above interest in this production as set forth herein and in the Production Company to be established to produce the Play from us. You further acknowledge that you are aware that no offering literature has been filed with, or in any way examined by, the Attorney General of the State of New York, and you hereby expressly waive your right to receive information in an offering circular that might otherwise be required by certain provisions of law.

10. Please make all checks payable to [COMPANY NAME].

If the foregoing accurately sets forth our understanding, please sign below where indicated, and thereupon this will constitute a binding and enforceable agreement between us.

Sincerely,

[COMPANY NAME]

BY: _____

[NAME]

Date

ACCEPTED AND AGREED TO:

[NAME OF INVESTOR]

Date