

“BRABHAM: THE UNTOLD STORY OF FORMULA ONE”

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COMMERCIAL AGREEMENT

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BETWEEN

BRABHAM MOVIE PTY LTD

AND

BRABHAM MOVIE PRODUCTIONS LTD

DATED: 27<sup>th</sup> September 2018



VERGE WHITFORD & CO  
PO Box 888  
SURRY HILLS NSW 2010  
Telephone: 0419 553 688  
cverge@vergewhitford.com.au  
www.vergewhitford.com.au  
Ref: CAV: 80564F

THE DATE OF THIS AGREEMENT is 27<sup>th</sup> September 2018

**PARTIES:**

**BRABHAM MOVIE PTY LTD** ABN 16 625 836 213 of 61a Stanmore NSW 2048 (**Producer**)

**AND**

**BRABHAM MOVIE PRODUCTIONS LTD** ACN 629 034 420 of 2a Oatley Road, Paddington NSW 2021 (**Contributor**).

**BACKGROUND:**

- A. The Producer has the worldwide exclusive right to produce a screenplay/documentary/film production with the current working title *Brabham: The Untold Story of Formula One* written by Akos Armont (**Film**).
- B. At the request of the Producer, the Contributor has agreed to provide funding towards the Film on the terms and conditions contained in this Agreement (**Contribution**).
- C. The Contributor will raise the Contribution through the crowd sourced funding platform controlled by Crowd88 Pty Limited ABN 18 609 908 009 (**Crowd88**).

**AGREEMENT:**

**1. What Each Party Will Do**

**(a) The Contributor**

The Contributor will:

- (i) crowd source funds of between AUD50,000 (**Minimum Target**) and AUD200,000 (**Maximum Target**) by making a public offer on the Crowd88 platform;
- (ii) secure the amounts raised by offering new ordinary shares in the Contributor at an issue price of AUD1.00 per share;
- (iii) comply with the *Corporations Amendment (Crowd-sourced Funding) Act 2017* and ASIC guidance on crowd-sourced funding; and
- (iv) contribute the amounts raised towards the production of the Film in accordance with clause 2 less the proper amounts due by the Contributor to Crowd88.

The closing date of the offer (**Closing Date**) will be agreed between the parties and Crowd88.

**(b) The Producer**

The Producer will use best commercial efforts to:

- (i) raise the balance of the budgeted cost of the Film, being around AUD1,500,000 (excluding the amount of AUD1,300,000 already raised to date including tax offset); and
- (ii) produce and complete the Film within 6 months from the date of this Agreement, after which the Producer will market the Film with distributors and sales agents for release throughout the world to the maximum commercial advantage of all parties.

## **2. Payment of the Contribution**

- (a) The Contributor will pay the Contribution to the Producer within 14 days after the Closing Date (subject to having raised at least the Minimum Target).
- (b) Payment will be directly by the Contributor and without deduction into the following account:

Name of Account	Brabham Movie
Bank	NAB
Branch address	277 King street, Newtown NSW 2042
BSB	082 356
Account Number	28 857 6999

## **3. Recoupment**

- (a) The Contributor acknowledges and agrees that the Producer or its nominee or collection agent (as approved by the Contributor in writing) will receive and disburse all Gross Receipts arising from the Film worldwide.
- (b) In consideration of the Contribution, the Producer shall pay to the Contributor as beneficiary under the terms of any collection account management agreement for the Film and/or disbursement administration services agreement for the Film.
- (c) For a period of 5 years from delivery of the Film, the Contributor will recoup the Contribution plus a 10% premium in accordance with the attached Recoupment Schedule plus the Contributor will receive the share of net profits (if any) from the exploitation of the Film as set out therein. The Contributor agrees that it will disburse the amounts so recouped pro rata to its ordinary shareholders (interest free, non-recourse and non-refundable), as an advance against their entitlement to a return of capital.
- (d) Details of the contact person for the Contributor and the account into which Contributor's share of Gross Receipts will be deposited are as set out in the attached Payment Schedule.

## **4. Right to Assign**

- (a) Subject to the prior written consent of the Contributor (acting reasonably), the Producer may assign, licence, charge or otherwise grant its rights and benefits hereunder or any interest herein to any third party in connection with the production, financing, distribution and exploitation of the Film provided that the Producer will remain liable for its obligations under this Agreement.
- (b) Subject to the prior written consent of the Producer (acting reasonably), the Contributor will be entitled to assign, licence or otherwise grant its rights and benefits hereunder or any interest herein to any third-party subject to the prior written consent of the Producer (not to be unreasonably withheld), and provided that Contributor will remain liable for its obligations under this Agreement.
- (c) The Contributor will not be entitled to register any charge or create a security interest as a result of entering this Agreement.

## **5. Breach**

In the event of any breach of this Agreement by the Producer, the Contributor's remedies will

be limited to the recovery of monetary damages in an action at law, and in no event will the Contributor be entitled by reason of the breach to rescind this Agreement or any of the rights granted nor will the Contributor be entitled to restrain, enjoin or otherwise impair the production, distribution, exploitation, advertising, promotional publicity of the Film or any of the rights in or in connection with the Film.

**6. Complete Agreement**

- (a) This Agreement constitutes the entire agreement of the parties with respect to its subject matter, and supersedes all other agreements understandings and negotiations on that subject matter whether written or oral.
- (b) This Agreement may not be modified or amended except in writing, signed by the parties.

**7. Execution**

This Agreement may be executed electronically and any such execution will be considered an original for all purposes. This Agreement may be executed in any number of counterparts and all such counterparts taken together will be deemed to constitute one and the same instrument.

**8. Governing Law**

This Agreement will be governed by and construed in accordance with the law of the State of New South Wales and the parties agree to submit to the non-exclusive jurisdiction of the courts of that State.

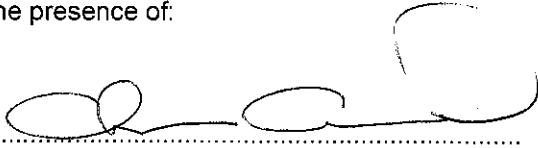
**9. Credits**

Provided the Contributor completes its obligations it will be entitled to an acknowledgement of appreciation in the end credits of the Film

**EXECUTED AS AN AGREEMENT**

*Signature page follows*

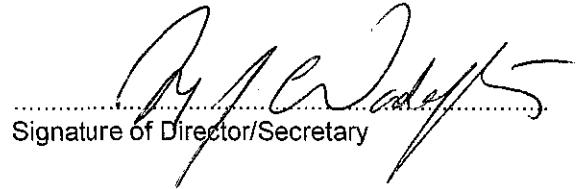
**EXECUTED** by  
**BRABHAM MOVIE PTY LTD**  
in accordance with section 127 of the  
Corporations Act by authority of its directors in  
the presence of:



Signature of Director

AKOS ARMONT

Print Name

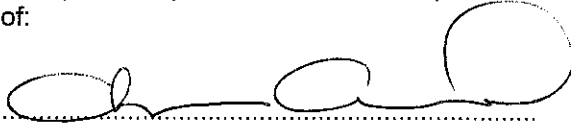


Signature of Director/Secretary

ANTHONY J. WADDINGTON

Print Name

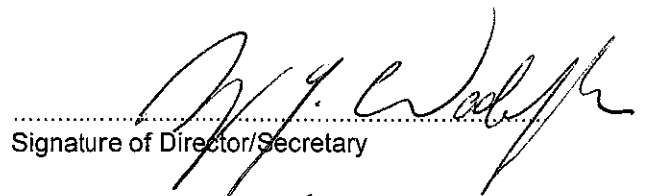
**EXECUTED** by  
**BRABHAM MOVIE PRODUCTIONS LTD** in  
accordance with section 127 of the Corporations  
Act by authority of its directors in the presence  
of:



Signature of Director

AKOS ARMONT

Print Name



Signature of Director/Secretary

ANTHONY J. WADDINGTON

Print Name

**Recoupment Schedule**

**DISBURSEMENT ENTITLEMENTS AND ORDER OF DISTRIBUTION OF GROSS PROCEEDS**

- Item 1            FIRST, if there are any amounts owing to the Producer Offset Financier, to the Producer Offset Financier in repayment of such amounts;
- Item II            SECOND, to the Producer to meet any residuals and marketing expenses (marketing expenses to be capped at \$10,000 without the Contributor's prior written approval);
- Item III:          THIRD, to the private investors and the Contributor *pari passu* and in the proportion of the Contribution to the total private investment of AUD870,000, until the Contributor, has received a sum equal to 110% of the Contribution;
- Item IV            FOURTH, (profit): to the following parties at the same time and in the following proportions:
- |                            |  |
|----------------------------|--|
| Contributor                | 35% (up to the maximum amount equal to the Contribution) |
| Post-Facilities and talent | 10%  |
| Education fund             | 10%  |
| Producer                   | 45%  |

**Payment Schedule**

**CONTRIBUTOR CONTACT AND ACCOUNT DETAILS FOR PAYMENT**

**Contact person** to whose attention statements, if any, need to be addressed:

Name: Antony Waddington

Address: c/o 2a Oatley Road, Paddington NSW 2021

Telephone: 0407 495 071

E-mail: waddington@allegory.com.au

**Bank account details**

Account Holder: \_\_\_\_\_

BSB: \_\_\_\_\_

Account number: \_\_\_\_\_

Bank: \_\_\_\_\_

Address of Bank: \_\_\_\_\_

BIC / Swift code: \_\_\_\_\_