

14. Cancellation by Agency

14.1. The Agency shall be entitled to cancel the whole or any part of the Production by written notice to the Production Company. In the event of such cancellation, the Production Company shall provide all Film Deliverables as exist to the Agency and shall then (other than where cancellation is as a result of a Force Majeure Event or termination of this Agreement under clause 19.1) be entitled to recover, and the Agency shall, after receipt of all such Film Deliverables and the Production Company's invoice, supported by substantiating documentation, pay to the Production Company the following amounts:

(i) third party costs (other than the Director's fee and Producer's fee) to which the Production Company is committed in respect of the Production and unable to avoid or otherwise mitigate; and

(ii) an amount in respect of services performed by the Production Company from the Start Date up to the date of notice of cancellation, calculated by reference to the period between the date of notice of cancellation and the intended first Shoot Date as follows:

(a) if the date of cancellation is 20 days or more before the first Shoot Date = 25% of the Production Company's mark-up as set out in the Budget;

(b) if the date of cancellation is between 19 days and 11 days before the first Shoot Date = 50% of the Production Company's mark-up as set out in the Budget; or

(c) if the date of cancellation is 10 days or less before the first Shoot Date = 100% of the Production Company's mark-up as set out in the Budget; and

(iii) an amount in respect of the Director's fee and the Producer's fee to which the Production Company is committed and unable to avoid or otherwise mitigate, calculated by reference to the period between the notice of cancellation and the intended first Shoot Date as follows:

(a) if the date of cancellation is 20 days or more before the first Shoot Date = 25% of the Director's and Producer's fees as set out in the Budget;

(b) if the date of cancellation is between 19 days and 11 days before the first Shoot Date = 50% of the Director's and Producer's fees as set out in the Budget; or

(c) if the date of cancellation is 10 days or less before the first Shoot Date = 100% of the Director's and Producer's fees as set out in the Budget.

(Note. Agency should ensure it informs its Client of these cancellation provisions in advance of confirming the production to the Production Company. See also the joint industry guidance and IPA/ISBA Client/Agency Creative Services Agreement cancellation provisions).

(For a Production which includes or is entirely comprised of animation, the date from which the Production Company was contracted to commence animation work on the Production shall be substituted for "first Shoot Date" for the purposes of this clause 14.1).

14.2. If any of the above amounts cannot be agreed the provisions of clause 23 shall apply. Any amounts which are not in dispute shall be paid in full by the Agency in accordance with the provisions of clause 7.

*Full PIBS documents available on request – contact: [Traci Dunne](#), Consultancy Manager - ISBA