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ITALY Film Distribution Fund Guidelines 2018

INTRODUCTION – PURPOSE OF THE FUND:

The Ministry of Cultural Heritage and Activities (MiBAC), in collaboration with Istituto Luce Cinecittà and ITA, in order to support the commercial circulation of Italian motion pictures outside national borders establishes a fund of € 1.200.000,00 for the year 2018. This fund is specifically aimed at supporting the theatrical distribution of Italian films in **ASEAN Countries** (the Philippines, Indonesia, Malaysia, Singapore, Thailand, Brunei, Vietnam, Myanmar, Laos, Cambodia), **South Korea, Japan, China, Hong Kong, Taiwan, the member countries of the Ibermedia Program** (Argentina, Brazil, Bolivia, Colombia, Costa Rica, Cuba, Chile, Ecuador, Guatemala, Mexico, Nicaragua, Panama, Paraguay, Peru, Puerto Rico, Dominican Republic, Uruguay and Venezuela), **in Australia, Canada, Israel, Russia, Turkey and in Europe.**

THE CONTRIBUTION:

The contribution is aimed at co-financing the P&A expenses for the theatrical release of an eligible film in a foreign distribution country. It cannot exceed 30% of the incurred costs, cannot exceed the Minimum Guarantee paid, and is capped at € 30,000 per film per country.

The contribution will be granted, divided into three sessions of € 400.000,00 each. In every session:

- in case of eligible applications exceeding the plafond, the Committee will decide whether to reduce the allocation proportionally among all eligible submitted applications or to allocate supports to the eligible applications following the chronological order of their submission.
- in case of residual funds, they will be carried over to the next call.

ELIGIBLE FILMS FOR THE CALL:

- Feature films primarily destined to theatrical release (fiction, documentary, animation);
- 100% Italian films or Italian majority co-productions;
- Films distribution agreements with domestic distributors must include theatrical rights;
- Films produced within 24 months prior to the submission date of the application (i.e. the achievement date of film theatrical clearance - rating classification - authorized by MiBAC will prevail);

EXCLUSIONS:

- Italian minority co-productions (artistic or financial ones) in the country of the applicant domestic distributors are not eligible;
- Films distribution agreement must not include worldwide rights acquisitions by the applicant domestic distributor, otherwise films are not eligible;
- Films financed by MEDIA - Distribution Selective are not eligible, only in the European Territories beneficiaries of the support;

In a preliminary phase applicant can apply to the present support and to Media – Distribution Selective. In this case, the application to both funds must be declared and the final MEDIA - Distribution Selective Support result must be communicated.

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WHO CAN APPLY:

Foreign domestic independent distributors, whose main activity is film theatrical distribution, operative in the above-mentioned countries, and fulfilling the following conditions:

- the foreign domestic distributor has acquired the theatrical distribution rights of eligible Italian films (as defined hereinabove) paying a Minimum Guarantee;
- the theatrical release in the territory has not started before the submission of the application (the date of the confirmation e-mail sent by the Desk international@anica.it upon receipt of the application will prevail).

In order to apply for the contribution, domestic distributors need to fulfil the following requirements:

- hold all the theatrical distribution rights of the film in the applicant territory;
- pay all the distribution costs for the theatrical distribution of the film they are applying for;
- guarantee that the film will be screened in movie theatres for at least one week;
- include the contribution received in the financial distribution report to Licensor in order to reduce the recoupable costs;

Theatrical release is considered effective if it takes place in movie theatres, open to a paying audience, and:

- for feature and animation films, at least 6 screenings a week are required;
- for documentaries, at least 3 screenings per week are required;

Please note that any screenings at domestic Festivals/retrospectives, special screenings and/or previews will not be considered as "theatrical release".

P&A ELIGIBLE COSTS:

- 1) Publicity and Launch - By way of example but not limited thereto:
Graphic layout in various formats (posters, flyers, adverts, etc.); printing of posters, playbills, etc.; radio/tv trailers creation (Beta/DVD); purchase of advertising spaces (newspapers, magazines, bills, TV/Radio/Internet spots); EPKs; press office; online marketing, website, etc.; preview and press conference;
- 2) Prints:
DCP mastering and duplication; KDM; Subtitling and dubbing; Transport and delivery; VPF; costs related to film classification-rating/censorship procedures (if applicable);

Costs incurred for promotional activities of Italian films abroad, which have already received public support from Italy, are excluded from the final balance.

AMOUNT OF FUNDING:

The financial contribution is provisionally calculated at a rate of 30% of the P&A budget up to a maximum of € 30.000,00. The amount of the contribution shall not exceed the Minimum Guarantee paid.

If the film gross Box Office revenues result in an amount three times superior than the net costs incurred and reported in the final report, the contribution will not be paid. Otherwise the support will be calculated and paid up to the abovementioned caps and on the basis of the documented and incurred costs.

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HOW TO APPLY:

Applicants must fill in and sign the application form available at www.cinecitta.com in the section Cinema Funds Management – Fondi Internazionalizzazione, including P&A budget and Reference plan.

The Application must include:

- Application form, duly filled, specifying the date of first theatrical release (any changes of the first theatrical release date must be promptly communicated);
- Privacy statement;
- A copy of the signed film rights acquisition agreement (or deal memo);
- P&A Budget Form and financial plan;
- A letter of the licensor stating that the contract has been paid (either in part or totally), thus confirming that the applicant has full ownership of the rights;
- Reference Plan filled in by the licensor (*)
- A company profile including track records (films released with evidence of Italian titles, box office results, etc.);
- A CV of the company legal representative and of the Head of Distribution (if they are two different persons);
- A detailed release plan of the film submitted for the application (i.e. launch strategy, target audience, release date, towns, theatres, number of prints, promotion/marketing/advertising activities, etc.);
- A copy of the domestic registration of the applicant company in National Trade Register;
- A copy of an identity card/passport of the Company Legal Representative;

(*) Licensor will send the completed and signed Reference Plan per e-mail to the Desk: international@anica.it.

Application forms and annexes must be sent by e-mail to the Desk: international@anica.it. Only duly complete applications (including Reference Plan sent by the Licensor), written in English and sent by e-mail will be taken into consideration and applicant will receive therefore a confirmation of the receipt by international@anica.it.

EVALUATION PROCEDURES:

The assessment of eligible applications for contribution is carried out by the Committee and based on the following criteria:

- Quality of film promotional and distribution strategy
- Consistency between the P&A budget and the promotional and distribution initiatives
- Innovation of the distribution model
- Company profile of the applicant
- Reference Plan (filled by the licensor)

The Evaluation Committee is formed by n. 1 representative of the Ministry of Cultural Heritage and Activities (MiBAC), n. 1 representative of Istituto Luce Cinecittà (ILC), n. 1 representative of ITA-ICE Agency and n. 1 representative of the most representative professional association.

ILC - Cinema Funds Management Office can appoint up to 3 representatives of the film industry (producers, distributors and sales agents) with advisory capacity.

The results will be published on the website www.cinecitta.com in the section Cinema Funds Management - Fondi Internazionalizzazione within 30 working days from the meeting of the Committee.

The support shall be paid after having verified the final report.

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FINAL REPORT:

The final report must be submitted within 120 days after the theatrical release in the domestic applicant territory and sent per e-mail to: international@anica.it

This report must include:

- The final Report form;
- One digital copy of any film promotional and advertising material. By way of example, but not limited thereto: adverts, posters, playbills, postcards, flyers, TV commercials, trailers, etc.;
- Press review of the film;
- Final balance of the incurred costs with copies of financial records (invoices, bills, reimbursement of expenses etc.) dated from 180 days before and until 90 days after the theatrical release date in the applicant territory;
- Financial distribution report of the theatrical exploitation for the first 90 screening days;
- Weekly reports issued by the theatres;
- Weekly box office reports stating the number of prints, number of admissions, gross box office and average box office results per theatre. The box office report must be sent with the final report and shall concern all the screening weeks from the first day of release;
- Licensor statement confirming the full payment by Licensee of all the contractual terms (only if not already submitted);
- Letter stating that the beneficiary has not received MEDIA - Distribution Selective Support for the same film;
- Signed Long form agreement of film rights acquisition (only if not already submitted).

If the incurred costs in the final report are lower than the estimated costs declared in the provisional P&A budget in a percentage of more than 10%, the support will be automatically reduced, calculating 30% of the eligible P&A expenses up to a maximum of € 30.000 and capped to the MG amount.

PAYMENT PROCEDURES:

Once the verification of the final report has been completed, the application will be sent by the Desk to Cinema Funds Management Office for the payment of the granted support.

TIMETABLE:

The Committee will meet approximately every 3 months, within the month of April, September and December and is committed to give formal feedback to the applications within a maximum of 30 working days from the receipt of the complete application.

Applications can be submitted by March 30th, July 22nd, and November 15th, providing that the film release is scheduled within 6 months from the date of application and has not already taken place. In order to establish the submission date, the confirmation email sent by the Desk will prevail.

MiBAC VISIBILITY

Supported films must give visibility to the Ministry of Cultural Heritage and Activities (MiBAC) by including the following statement: "A Made in Italy project with the support of the Ministry of Cultural Heritage and Activities - MiBAC, in collaboration with Istituto Luce Cinecittà" in all promotional/press/online materials.

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PRIVACY

Pursuant to and for the purposes of the provisions of Articles 13 and 14 of (EU) Regulation 2016/679 of the Parliament and the European Council **on the protection of natural persons with regard to the processing of data and on free movement of such data (General Data Protection Regulation** (hereinafter GDPR), ISTITUTO LUCE CINECITTA' S.r.l. hereby informs you about the processing of your personal data, in relation to the submission of your application.

The data controller is ISTITUTO LUCE CINECITTA' S.r.l. with registered office in Via Tuscolana 1055, Rome, VAT and tax Code no. 11638811007, in the person of the legal representative pro-tempore, who may be contacted at the following e-mail address: c.ranocchi@cinecitaluce.it.

We inform you that the data provided by the concerned parties is an indispensable prerequisite for the participation to the Fund and, in particular for the assistance during submission of the application and for the proper administrative management and correspondence, as well as for the purposes strictly connected to the fulfilment of legal, accounting and tax obligations, for the purposes of the necessary requirements to implement this regulation, including the reporting of such information to public contribution databases as required by law, and for publishing on the Internet pursuant to the Legislative Decree of 14 March 2013, no. 33.

Failure to provide such data may result in the denial of applications or the inability to grant the support requested.

It is hereby specified that the data subject is obliged to ensure the correctness of the personal data provided and, in case of changes to the aforesaid data, is committed to request those changes to be made in order to keep the data constantly updated.

The data provided will be used only through the methods and procedures strictly necessary to the aforementioned purposes and will not be disclosed and spread outside the instances identified by the expressed regulatory provisions.

ISTITUTO LUCE CINECITTA' S.r.l. is obliged to report the data to Judicial Authorities, whenever a specific request is sent in this regard.

The processing of personal data is carried out - in compliance with the provisions of the GDPR and subsequent amendments and additions, as well as Italian law - also with the aid of IT tools, and is carried out by ISTITUTO LUCE CINECITTA' S.r.l. personnel [by its network of in-house corporate structures owned and controlled pursuant to Article 2359 of the Italian Civil Code, or companies subject to joint control, as well as by consortia, networks of companies and groupings], by means of which part of the necessary processing of personal data can be carried out to apply for this Call for Applications, according to principles of fairness, lawfulness, transparency and protection of confidentiality and for the sole purpose of carrying out the selection of candidates and to fulfil legal obligations.

These third parties may be appointed as External Data Controllers for one or more of the procedural steps set out in this Call for Applications, or for the preliminary examination of the applications, their evaluation, and for the publication of data relating to the beneficiaries.

ISTITUTO LUCE CINECITTA' S.r.l. continuously updates its privacy policy to reflect changes in Italian and EU laws.

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Specific security measures are in place to prevent the loss, illicit or incorrect use and unauthorized access to the information.

Pursuant to Art. 13, paragraph 2, letters (b) and (d) and 14, paragraph 2, letters (d) and (e), as well as Articles 15, 16, 17, 18, and 21 of the GDPR, the personal data subjects have the right at any time to:

- a) ask the Data Controller for the access to their personal data, the correction, integration, and cancelling, limitation of the processing of their data or to object to the processing of the data if the conditions set out by the GDPR are met;
- b) exercise the rights referred to in letter a) by sending proper notification via e-mail to c.ranocchi@cinecittaluce.it;
- c) lodge a complaint with the Guarantor for the protection of their personal data, following the procedures and indications published on the official website of the Authority: www.garanteprivacy.it.

We also inform you that, pursuant to Article 7, paragraph 3 of the GDPR, where applicable, the interested party may at any time withdraw consent to the processing of his/her data. Withdrawal of consent does not affect the lawfulness of the processing performed with consent given prior to the revocation.