

In collaboration with



ITALY

FILM DISTRIBUTION FUND

Guidelines 2020

INTRODUCTION – PURPOSE OF THE FUND

The Ministry of Cultural Heritage and Activities and Tourism (MiBACT), in collaboration with Istituto Luce Cinecittà and ITA, in agreement with the main professional associations, 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 2020. This fund is specifically aimed at supporting the theatrical distribution of Italian films in the world.

THE CONTRIBUTION

The contribution is aimed at co-financing the theatrical release of a film in a foreign distribution country. It cannot exceed 30% of the P&A incurred costs, cannot exceed the Minimum Guarantee paid, and is capped at € 30,000 per film per country. An application must be submitted for every single country.

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

- the Committee will consider the allocation of the contribution for each film following the resulting ranking of the Reference Plan;
- in case of eligible applications exceeding the plafond, the Committee will decide whether to reduce the contribution by assigning the allocation proportionally among all eligible submitted applications;
- in case of residual funds, they will be carried over to the next call until their depletion.

ELIGIBLE FILMS FOR THE CALL

- Feature films primarily destined to theatrical release (fiction, documentary, animation);
- 100% Italian films or Italian majority co-productions, with provisional or definitive nationality and provided with the “Nulla osta di proiezione” (rating classification);
- 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 “Nulla osta di proiezione” - rating classification - authorized by MiBACT will prevail);
- Films with a theatrical release within 180 days from the date of application.

EXCLUSIONS

- 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.

WHO CAN APPLY:

Foreign domestic independent distribution companies, whose main activity is film theatrical distribution and fulfilling the following conditions:

- the foreign domestic distributor has acquired the theatrical distribution rights of eligible Italian films (as defined hereinabove) with a Minimum Guaranteed contract of rights assignment;
- the theatrical release in the territory has not started before the submission of the application (the date of the e-mail sent to the Desk will prevail).

In collaboration with



In order to apply for the contribution, foreign 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”.

Distributors are obliged to document the film release. The Committee reserves the right to carry out autonomous verification on the information provided.

ELIGIBLE COSTS

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

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

COVID EMERGENCY

In order to tackle the COVID-19 emergency and waiting for the film activities in the world to resume at full speed, the VOD release (SVOD and TVOD) and the theatrical release are equalized, limited to the applications of the year 2020. In doing so, Foreign Distributors applying for it and guaranteeing the VOD release within the deadline set by the call (6 months from the date of application for the contribution), can also include the marketing and publicity costs related to the VOD release among the eligible expenses for the P&A refund. The eligibility to obtain the contribution will remain bound to the payment of a Minimum Guarantee and cannot exceed the amount of MG paid for acquiring the VOD rights.

HOW TO APPLY

Applicants must fill in and sign the documents listed therein and available at www.cinecitta.com in the section Cinema Funds Management – Fondi Internazionalizzazione:

- Application Form (only one territory per application) – **FORM N. 1;**
- P&A Budget Form and Financial Plan - **FORM N. 2;**

In collaboration with



- Reference Plan - **FORM N. 3** (filled in by the licensor);
- A copy of the signed film rights acquisition agreement (LF AGREEMENT or DEAL MEMO); (In case of assignment for multiple territories the agreement must contain in detail the MG allocated for each territory)
A copy of the contract of sublicense, if present;
- 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.) – **FORM N. 4**;
- A copy of the domestic registration of the applicant company in National Trade Register. English translation is required in case of other languages;
- A copy of a valid identity card/passport of the Company Legal Representative.

Application forms and above mentioned annexes must be sent by e-mail to the Desk: international@anica.it.

The Licensor is obliged to send the Reference Plan directly to the e-mail address international@anica.it – **FORM N. 3**.

Only duly complete applications, written in English and sent by e-mail, will be taken into consideration.

Applicants will receive therefore a confirmation of the receipt by the Desk.

EVALUATION PROCEDURES

The Committee will assess the applications for contribution on the basis of the following criteria:

A) Promotional and distribution strategy

- Innovation of the distribution model;
- importance of the objectives and consistency between the objectives;
- attracting strategies and involvement of particular targets (young people, specific communities, etc.);
- participation in festivals in the foreign distribution country;
- film beneficiary of selective contributions, Law no. 220/2016.

B) Consistency between the P&A budget and the promotional and distribution initiatives

- coherence and consistency of the cost items;
- promotion of the project in terms of visibility of press, social media and other communications/promotional channels;
- accessibility of the film for people with disabilities;
- organization of events with the Italian talents;

C) Company Profile of the applicant and track records of the Italian films that are already released;

D) Reference Plan filled in by the licensor;

The Committee is formed by no. 1 representative of the Ministry of Cultural Heritage and Activities and Tourism (MiBACT), no. 1 representative of Istituto Luce Cinecittà (ILC), no. 1 representative of ITA-ICE Agency and no. 1 representative of the most representative professional association.

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

The contribution is allocated in the measure of 30% of the budgeted expenses. The maximum financeable amount is € 30.000,00 and cannot exceed the Minimum Guarantee.

The results of the assignment of the contributions 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 the final report is verified.

FINAL REPORT

The final report must be submitted within 180 days after the theatrical release and/or the VOD release in the territory and sent per e-mail to ANICA (international@anica.it) together with the reference sales agent.

This report must include:

- The final Report form - **FORM N. 5**
- A poster with evidence of the MiBACT visibility;
- A selection of the 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) dated from 180 days before and until 90 days after the theatrical release date in the applicant territory - **FORM N. 6**;
- Financial distribution report of the theatrical exploitation for the first 90 screening days;
- Weekly reports issued by the theatres, if available;
- 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);
- A copy of the signed Long Form agreement, only if the Deal Memo has been submitted during the application procedure

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 € 30.000,00 and capped to the Minimum Guaranteed amount.

PAYMENT PROCEDURES

After the publication of the allocations, the contribution will be granted after the verification of the final report and the reception of the grant request form.

ILC – Cinema Funds Management reserves the right to request any other documentation, of accounting nature too, or clarification, or carry out inspections and controls, both documentary and through on-site inspections, making use both of their own officials and external appointed auditors. These controls, even under suggestion of the Committee, are aimed to verify and check compliance with the conditions for obtaining the contribution, and to verify that the costs reported are real and actually paid.

TIMETABLE

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 at the time of

In collaboration with



the application form presentation. The date of the e-mail sent to the Desk for the application will prevail. The Management Committee will meet within a maximum of 90 working days from the closing date of the session.

In case of late theatrical release, due to commercial reasons, distributors can apply for a derogation of other 2 months. Requests must be substantiated and sent in writing to international@anica.it.

This derogation must be authorized within 20 days from the date of receipt.

Beyond this further derogation, applications must be re-submitted in its entirety.

TRANSITIONAL ARRANGEMENT

Given the COVID-19 emergency there will be 2 calls for the FDF in 2020:

1st call :30th August 2020

2nd call: 15th December 2020

All the distributors who have applied from November 16th 2019 to the date of publication of the call can access the fund by filling in the new documentation prepared.

MiBACT VISIBILITY

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

PRIVACY

Information pursuant to Art. 13 and 14 of (EU) Regulation 2016/679 of the European Parliament and 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 – GDPR):

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: dpo@cinecittaluce.it.

The legal basis for such processing is the execution of pre-contractual measures taken at your participation to the Fund. Your personal data will be stored for the time necessary to process your participation to the Fund and for the related purposes.

We inform you that the data provided by the interested 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.

In collaboration with



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 CINECITTÀ' S.r.l. is required 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 CINECITTÀ' 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 CINECITTÀ' S.r.l. continuously updates its privacy policy to reflect changes in Italian and EU laws.

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

Personal data are collected and processed pursuant to the implementation of precontractual measures or the performance of a contract following your request. The personal data shall be preserved to fulfil the purposes for which they were originally collected and for the time required by the law.

The communication and diffusion of personal data are carried out exclusively pursuant to the cases provided for by the laws in force and in order to carry out specific activities.

The Data Protection Officer can be contacted at the following e-mail address: dpo@cinecittaluce.it to assert your rights pursuant to Art.12 of the GDPR.

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 dpo@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.

In collaboration with



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.