

Funding Guidelines

Cine Tirol Film Commission & Fund

As per 5th of May 2006

Cine Tirol

Film Commission & Fund
c/o Tirol Tourist Board
Maria-Theresien-Strasse 55
6010 Innsbruck
Austria

Tel: +43-(0) 512-5320-0
Fax: +43-(0) 512-5320-140

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1. General principles

Cine Tirol was founded in 1998 on the initiative of the Provincial Government of the Tirol and the Tirol Tourist Board.

The main aim is to ensure that, with impetus of various kinds, the Tirol becomes an attractive location for film and television productions, thus conveying the "Tirol message" far beyond the borders of the province via media coverage in order to establish a creativity network and to create a platform for cultural and economic expansion.

Cine Tirol supports commercially promising projects: critical, artistic feature and documentary films, as well as popular entertainment in the form of television films and series, the contents, form and casting of which are geared to international exploitation and are entirely or at least partially filmed in the Tirol with the exploitation rights remaining at least partially with the producer.

In addition to financial funding, Cine Tirol offers valuable ancillary services. These include consultation and support for applicants and other project promoters, provision of the Cine Tirol Location Service, arranging contacts and follow-up training to develop local capacity through involvement in domestic and foreign productions, workshops and seminars in various areas of the audiovisual industry.

2. General conditions of funding

An imperative in funding is that the project submitted shall be entirely or at least partially produced in the Tirol.

The commercial and/or cultural significance of the project for the Tirol constitutes a further important funding criterion, i.e. the commercial Tirol Effect and/or the cultural Tirol Reference.

The commercial Tirol Effect comprises the total expenditure involved in the implementation of a film project in the Tirol and/or becoming taxable in the Tirol by way of indirect profitability. The Tirol Effect relates to the income both of private sector companies and of the public sector.

The Tirol Effect is calculated by taking the following cost areas into account:

- use of film industry facilities (film and sound studios, hire of equipment, casting office);
- the employment of filmmakers, either resident or resident for tax purposes in the Tirol, in artistic, technical and organizational functions.
- other expenditure involved in the course of the project in the Tirol (e.g. catering, hotel costs, board, rent, transport etc.)
- utilization of small industry facilities (workshops, tailors, joiners, etc.)

An appropriate Tirol Effect exists when expenditure in the Tirol is shown to amount to at least twice that provided by Cine Tirol. Part of the overall Tirol-factor is the Tirolean film branch factor. In order to calculate this it is necessary to take into account the exploitation of domestic film industry facilities and the employment of film producers resident in the Tirol. The Tirol film branch factor should amount to 100% of the subsidy; the applicant must submit detailed evidence to this effect. A film production is said to have a Tirol Reference when it is in the specific cultural and/or touristic interests of the Tirol, i.e. when the Tirol is clearly recognizable (visually, verbally or in respect of

content) as the location and/or when social and regional circumstances constitute an essential part of the action.

Cine Tirol operates as a service-oriented unit and expects feedback from applicants. Cine Tirol accompanies projects from the first point of contact to the final cost accounting and exploitation. Cine Tirol aims to develop and improve dialogue by visiting sets, attending screenings of raw- and copy cuts, observing care of the press, marketing concepts and audience figures.

Funds granted by Cine Tirol and other promotional programmes may complement each other. Accumulation is permissible.

Funding cannot be granted when the project infringes the constitution or the laws of the Republic of Austria.

Funding can only be awarded within the budget framework made available to Cine Tirol by the Province of Tirol.

No legal claim to Cine Tirol funds exists.

The decision regarding the amount of funding is made by resolution of the Cine Tirol Advisory Board.

The Advisory Board alone can take decisions regarding exceptions to the rules.

The regulations governing the Cine Tirol Funding Guidelines are an integral part of each agreement on the granting of funds from Cine Tirol financial resources.

3. Production Funding

- (1) Funds may be granted for the production of cinema films including documentaries and short films, television films and series and productions in new audiovisual media.
- (2) Financial support may take the form of co-funding (a maximum of 20% of the entire production costs) through an interest-free, success-linked, repayable grant.
- (3) Only producers are eligible for this grant.
- (4) The main criteria are the artistic quality of the project, its worth as an internationally exploitable product, the appropriate Tirol Effect and/or Tirol Reference. Shooting work on the funded project must entirely or at least partially be carried out in the Tirol. An amount equivalent to at least twice the amount funded by Cine Tirol must be spent in the Tirol, of this a Tirol film branch factor of 100% of the funding should be achieved. Other percentages may be agreed in exceptional circumstances.
- (5) Generally speaking, prerequisites are a provisional distribution agreement, a financing plan (which includes evidence that at least 80% of the total project costs are guaranteed) and an exploitation and marketing concept. In addition, Cine Tirol requires that all film projects with a budget exceeding € 3 million be insured with an appropriate bond.

- (6) The grant application must include a completed film script, detailed cost calculations, a schedule (including shooting schedule) and, as far as possible, a list of cast and crew.
- (7) When submitting an application, the producer must supply evidence of the Tirol Effect.
- (8) Television films and series are only eligible for funding if it can be proven that they can be internationally exploited, and if the rights to that exploitation remain at least partially with the producer.
- (9) After the producer's own capital has been recouped, the sum funded is repayable from the proceeds of the project subsidized.
- (10) The producer undertakes to carry out the project in agreement with the project description upon which the funding is based. Any alterations require the approval of Cine Tirol.
- (11) The producer grants Cine Tirol the right to monitor every phase of the project. He/She must also allow Cine Tirol access to the current production's financial records at any time during production.
- (12) It is a prerequisite for the granting of funding that evidence of the entire financing of the project is provided within six months at the most after conditional consent has been given. Approved funding cannot be paid out before such evidence is available.
- (13) A detailed final account must be submitted within three months of the completion of the product. Cine Tirol retains the right to inspect the receipts. In the case of substantial deviations from the calculation or the overall financing plan, Cine Tirol retains the right to demand immediate full or partial repayment of the grant.
- (14) In the case of films for the cinema, a copyright period of at least 18 months must obtain between the first public screening and television screening or exploitation in the form of video cassettes, plates or other audiovisual storage media.
- (15) Cine Tirol will only fund projects expected to yield financial returns.
- (16) On principle, applications for subsidized funding should be made before any work on the projects has commenced.
- (17) Supported projects should ensure that to an appropriate extent, film industry specialists who have their main residence in Tirol receive additional and further training.
- (18) Any copy of funded products and any advertising or promotional material connected with such products should include in the introduction and credits (with Cine Tirol's colour logo) an acknowledgement that the film has been shot in the Tirol and produced with the support of Cine Tirol. This commitment also covers any showing of the product at artistic or cultural events, in particular at film festivals or when televised.
- (19) The producer undertakes as far as possible to guarantee that he/she him/herself and/or the director/a member of the cast will take part in any of Cine Tirol's specific or specially targeted marketing activities in the Tirol. He/She likewise undertakes appropriately to ensure that suitable reference is made to Cine Tirol's participation in the project and to the Tirol as film location at any project presentation held outside the Tirol.

- (20) When Cine Tirol's funding proportionately constitutes the major part of such support, the Austrian (German-speaking) premiere of the product shall take place in the Tirol.
- (21) Project costs estimated when funding is applied for must be calculated in accordance with the methods customary in the industry.
- (22) In general, funding is paid out in four instalments according to evident progress at the beginning of shooting, at the end of shooting, after submission of the final accounts, on the occasion of the first screening and when it is evident that Cine Tirol has been properly accredited in copy and promotional material.

4. Conditions of repayment

- (1) Funds provided by Cine Tirol are on principle awarded either on the basis of an interest-free, success-linked, repayable grant, or as a non-repayable grant. A funding contract forms the basis for this.
- (2) The repayment obligation for production and structural funding extends over eight years (from payment of the last installment).
- (3) The producer undertakes to pay an aliquot part of the proceeds due to him/her from exploitation of the film/TV product into a special account on the basis of the ratio of the sum funded to the calculated overall production costs of the product. This obligation only arises after the producer's own share as acknowledged by Cine Tirol has been covered and it terminates after full repayment of the amount funded.
- (4) The funding recipient is required to inform Cine Tirol biannually of the amount due to him/her from the exploitation of the supported product and the monies accruing on the special account (profits and interest).
- (5) Repayments of the grant are primarily to be used for the relevant producer's further projects, these being fundable within the framework of these allocation rules (reference principle).
- (6) The funding recipient is obliged to undertake repayment if he/she does not adhere to the general conditions of funding and infringes the terms of the contract.

5. Funding approval

- (1) Cine Tirol distinguishes between unconditional or provisionally conditional funding approval.
- (2) Unconditional approval can be granted if all requirements obtain for the conclusion of a funding contract between funding applicants and Cine Tirol.
- (3) If Cine Tirol's funding approval is conditional on the grounds of incomplete supporting documents, it shall only be valid for three months at the most. If the required conditions are not met within this term, funding approval expires.
- (4) Approval for conditional or unconditional funding expires after 3 months if there is no evidence of a production resolution within this period or if the postponement thereof is not brought to the attention of Cine Tirol in writing.

- (5) Approval for conditional or unconditional funding also expires if the requirements under which it was granted no longer obtain.

6. Funding procedure

- (1) Funding usually takes the form of interest-free, success-linked repayable grants with an observation period of eight years on the basis of a cofinancing contract or non-repayable grants.
- (2) The Advisory Board decides on the granting of funding.
- (3) External experts (dramaturgists, authors, journalists etc) may be included in the decision-making process. The decision as to the necessity thereof lies with the Advisory Board.
- (4) The Advisory Board meets four times a year and reaches decisions on a majority basis.
- (5) The deadlines for applications for funding are available on request or are publicized on the Cine Tirol website www.cinetirol.com.
- (6) Funding will only be granted on application, all necessary documentation should be submitted in the original or in the form of certified copies.
- (7) Applications should be submitted in four duplicates.
- (8) The address for applications is:

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C/o Tirol Tourist Board
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A-6020 Innsbruck
Austria**

**Tel: +43-512-5320-0
Fax: +43-512-5320-140
Email: cinetirol@tirolwerbung.at
Contact persons: Johannes Köck and Laila Reischer**

These guidelines become effective as per 5th of May 2006 and replace those of 01.07.2004