

RULES

of the Film Production Support Contest

conducted by

the Krakow Festival Office

Preamble

The aim of the contest, conducted through the use of the resources of the Regional Film Foundation in Krakow and created through the co-operation of the Małopolska Voivodeship, the City of Krakow and the Krakow Festival Office, is to support Film Productions connected with Krakow and Małopolska that can be beneficial to the development of the region's tourism industry and economy, and that can help to build a positive image for the region. Equally important are the choices of filming locations as well as the subject matter and the artists who create the work. The Regional Film Foundation in Krakow, supported by the work of the Krakow Film Commission and functioning within the structure of the Krakow Festival Office, presents a strong argument for Krakow and Małopolska in their efforts to build partnerships with national and international entities from the world of cinema.

§ 1

1. The organiser of the Film Production Support Contest, based on the principles outlined below, hereinafter referred to as the Contest, is the Krakow Festival Office with a seat in Krakow, 31-513, ul. Olszańska 7, entered into the register of Cultural Institutions administered by the Municipality of Krakow under the number III/4 dated 15 January 1997, hereinafter referred to as the KFO.
2. The Contest is financed by the organiser using funds allocated through the Regional Film Foundation, hereinafter referred to as the Foundation.
3. The funds of the Foundation are managed by the Director of the KFO.

§ 2

1. The Krakow Film Commission, operating within the structure of the KFO, shall handle co-ordination of the contest and the work of the contest commission.
2. Film Production, in the understanding of these Rules, means a set of creative, organisational, business, legal, and technical activities leading to the creation of a film in the character of a master copy for reproduction. This definition complies with Article 5, par 7 of the Act of 19 July 2005 on Cinematic Production (Journal of Laws No. 132, item 1111 with subsequent amendments).

3. A Film, in the understanding of these Rules, means a work of any length, including a work of fiction, documentary or animated work, consisting of a series of successive images with or without sound, preserved in any manner on storage media allowing for multiple presentations, creating the illusion of motion and consisting of an original whole, and expressing action (content) in an individual form, in the understanding of the laws governing copy rights and related rights.
4. The aim of the Contest is to support Film Production of Films intended for broadcast as programming material for television or the Internet, or through other media as agreed to by the co-producers.

§ 3

The Film Production Support contest is held at least once per year.

§ 4

1. The support of Film Productions shall take place using the resources of the Foundation, the executor of which is the KFO, or if necessary through assistance in the form of material support on the terms established in the Rules and the co-production agreement.
2. In exchange for the co-production inputs provided the KFO will receive copy and related rights to the Film at a level in proportion to its share of the Film Production and it will receive a proportion of the Film's revenues equal to its share in the production.
3. The Support for Film Production, in accordance with the Rules, may take the following form:
 - a. financial input that is understood to be support of the Film Production through the transfer of funds to the Producer. The financial input granted on the basis of the Contest is expressed in the gross sum of,
 - b. material inputs, understood to be support for Film Production through the direct assurance of services, goods, or intangible benefits, including organizational, administrative, or legal activities, or the usage of movable or immoveable property, without the transfer of funds to the Producer. The value of benefits provided by the KFO is established on the basis of the market value of those benefits in a gross sum and is counted into the KFO's inputs to the production of the Film.

§ 5

1. The prize of the contest is an invitation to negotiate a co-production agreement, on the basis of which the Contest Winner and the KFO shall become co-producers of the film.
2. The basic principles of support of the Contest winner's Film Production are as follows:

- a. financial and material input, as discussed in § 4, may constitute no more than 90% of the cost of the Film Production,
- b. participation in the Film Production shall take place in adherence to the principle that a minimum of 10% of the Producer's own input shall come from sources other than public financing; detailed rules of the co-operation of the parties in co-production shall be defined in the co-production agreement, whose fundamental provisions comprise an annex to these Rules.
- c. detailed rules of the support of the Film Production are defined in subsequent portions of these Rules and the co-production agreement, whose essential provisions comprise an annex to these Rules.
- d. the number of copies that will be provided for the KFO and the scope of the use of the Film shall be defined in detail in the co-production agreement, whose fundamental provisions comprise an annex to these Rules, with the reservation that the KFO shall be a party to all decisions concerning the fundamental elements of the Film's use, including decisions concerning the premiere of the Film.

§ 6

1. Formal evaluation of applications submitted will be conducted by the staff of the KFO – Krakow Film Commission.
2. Substantive evaluation of the projects will be conducted by the experts making up the Foundation Programme Council, hereinafter referred to as the Programme Council. The Programme Council, numbering 3 to 5 experts, shall be established by the Director of the KFO.
3. The formal or substantive evaluation of the project cannot be conducted by persons who are in any way involved or associated with the project to be evaluated.

§ 7

1. Applications to participate in the Contest completed using the current form and accompanied by the required annexes, are to be submitted at the seat of the KFO on ul. Olszańska in Krakow between the hours of 9:00 AM and 4:00 PM. The applicant shall submit the application in three exhibits (an original and two copies) as well as in electronically recorded format. The current application form is available at the Foundation's Internet site (www.film-commission.pl) and at the seat of the KFO. The application form for financial support for the Film Production comprises annex No. 1 to these Rules.
2. The application and documents and statements comprising the annexes to the application must be signed by a person or persons authorised to represent the applicant in accordance with the information contained in the applicant's documents of registration or by a person or

persons possessing an appropriate power of attorney to perform acts in law granted by a person or persons authorised to represent the applicant. Signatures must be performed in a manner allowing for the identification of the signatories.

3. Documents demonstrating the possibility of proper representation, including documents of registration and powers of attorney must be attached to the application.
4. Corrections must be entered in a legible manner and confirmed by the signatures of persons authorised to represent the applicant.
5. Numerical values must be entered into the application in every case using numerals, and in places where it is clearly indicated, in words also (expressions such as “as above” or equivalents are not permitted).
6. The portion of the application that contains any information comprising trade secrets, in the understanding of the laws governing unfair competitive practices, and which the applicant regards as confidential, must be enclosed in a separate envelope with the inscription “Reserved portion of application”. The KFO is not responsible for the release of information comprising trade secrets provided to it by the applicant irrespective of the provisions of the this paragraph. The applicant may not reserve the information that is discussed in article 86, paragraph 4 of the Act of the Law on Public Orders.
7. “Trade secret” is understood to mean technical, process, of organisational information or other information with economic value not made available to the public, for which the enterprise has taken the necessary steps to maintain confidentiality in accordance with the Act of 16 April 1993 on Unfair Competitive Practices (consolidated text: Journal of Laws 2003, No. 153, item 1503 with subsequent amendments).
8. The applicant should number each page of the application. The documents that make up the application should be bound (stapled, in a binding etc.) in a manner that makes impossible their partial removal (rendering them incomplete).
9. The application should be submitted in an opaque, seal envelope or package.
10. The following information should be located on the envelope of package:

Name and address of the applicant (stamp if applicable)

FOR THE II FILM PRODUCTION SUPPORT CONTEST

Regional Film Foundation in Krakow

11. the withdrawal of an application may be performed only by the applicant, through the submission to the KFO of a request to withdraw the application, signed by a person or persons authorised to represent the applicant.
12. The application may be submitted by natural persons, legal entities or unincorporated associations, independently taking part in the contest, or entities applying jointly, which:
 - a. possess authorisation to carry out the activities or functions described, if the law requires for them to be granted such authority,
 - b. possess the necessary knowledge and experience and are disposed of the technical means and personnel to carry out the project.
 - c. are in a financial position that allows them to fulfil the condition of providing their own input of a level of at least 10% of the cost of performance of the project.
13. Applications may not be submitted which apply to films that have been publicly shown before the application date. Decisions concerning the acceptance of applications for films which have not been shown publicly, but of which an artistically and technically complete copy has been made, will be made by the Director of the KFO. The applicant is required to inform the KFO of this situation at the time of submission of the application.
14. The formal evaluation of the application is based on the completeness and propriety of the offer, and its compliance with the requirements of the application form.
15. The application will be regarded as complete if it is completed properly in accordance with the rules and all of the necessary annexes are attached before the application submission deadline.
16. The application will be regarded as proper if it fulfils all of the following criteria:
 - a. the production plan is in agreement with the assumptions of the Contest;
 - b. the application is submitted on the proper form;
 - c. the application is submitted within the time frame required by the Rules;
 - d. the applicant is authorised to take part in the contest in accordance with the Rules;
 - e. the application is in accordance with the profile of the activities indicated in the applicant's registration document or statute;
 - f. the calculation of the projected costs of carrying out the project is proper from formal and financial perspectives;
 - g. the application was compiled in accordance with the other requirements defined in these Rules and the application form.

17. After the deadline defined in the Rules has passed, the verification of the documents submitted will take place. In the case of the confirmation of formal deficiencies in the documentation the applicant will be asked to complete them within seven days from the date of the information being provided to the applicant of the formal deficiencies in the application submitted. Failure to remedy deficiencies in that time will result in the rejection of the application, of which the applicant will be informed in writing.
18. Applications completed out of compliance with the Rules or incomplete applications, for which the shortcomings are not properly remedied in accordance with the procedure detailed in paragraph 22, will be rejected, and the applicant will be informed of that fact in writing within seven working days.
19. Applications that fulfil the formal requirements will be passed on to the Programme Council for substantive evaluation.
20. The substantive evaluation will take place within 14 days from the date of the receipt of the application by the Programme Council.

§ 8

1. The project will be evaluated by the Programme Council specifically in regard to the following criteria:
 - a. the amount of expenditures to be made in the Małopolska Voivodeship and the City of Krakow;
 - b. the use of outdoor shooting locations that are characteristic of the Małopolska Voivodeship and the City of Krakow
 - c. connection of the production with the Małopolska Voivodeship and the City of Krakow – in subject matter, creators, performers, and production locations;
 - d. projected economic impact of the project;
 - e. method of distribution of the Film, specifically concerning international distribution;
 - f. artistic value of the project;
 - g. intellectual and aesthetic values of the project, their meaning for the establishment of a lasting positive image of the Małopolska Voivodeship and the City of Krakow.
 - h. evaluation of the cost calculation taking into consideration the economic and financial conditions of the project;
 - i. percentage of the KFO funding of the production costs [cost structure];

- j. works to date produced by the producer and director, including the artistic and economic results of previous productions.

§ 9

1. The Programme Council shall evaluate the project in writing, on the basis of a project evaluation sheet. The form for the project evaluation sheet comprises annex No. 2 to these Rules.
2. An expert from the Programme Council may award more points to a project that in his or her estimation is particularly important and enter them in the project evaluation form in the indicated field along with the justification for them.
3. Completed evaluation sheets will be transferred from the Programme Council to the representatives of the KFO-Krakow Film Commission.
4. The number of points received by a given project is the arithmetical average of the points awarded by the specific experts making up the Programme Council.
5. On the basis of the project evaluation sheets received, the Krakow Film Commission shall compile a list of projects, taking into account the average number of points for each project defined in paragraph 4.
6. The Krakow Film Commission may contact the Polish Film Institute with a request for a consultation for additional expert opinions for the application.

§ 10

1. Applications that have been formally and substantively evaluated, with recommendations are presented to the Contest Commission in the aim of making a decision and establishing the sum of support to be awarded to the project selected.
2. The process of making a decision by the Contest Commission will take place within fourteen days of the date of the delivery of the applications to the Commission.
3. The Contest Commission is comprised of:
 - a. 2 persons selected by the Programme Committee from its own members,
 - b. the Director of the KFO,
 - c. one representative of the KFO - Krakow Film Commission
 - d. one representative of the Małopolska Region.

4. The first meeting of the Contest Commission will be convened by the Director of the KFO, who will also serve as its chair.
5. The commission will select from among its members a vice-chair of the Commission.
6. The Commission will take its decision in the presence of at least half of its membership, including its vice-chair or chair, in open voting. In the case of an equal number of “Yea” and “Nay” votes, the vote of the chair is decisive, and in the case of his or her absence — the vote of the vice-chair is decisive.
7. The Commission will make a decision concerning the Contest, in particular establishing the level of co-production input, taking into consideration the evaluation of the experts of the Programme Council and the available financial resources.
8. A decision to support more than one project is allowable.
9. It may occur that the support awarded in the scope of which the KFO undertakes to provide co-production inputs to specific Film Productions is provided in the same budgetary year that the Contest was held and judged, or it may be provided in subsequent years.
10. It is also possible that a part of the resources is awarded to support Film Productions to awardees from previous editions of the Contest.
11. A report shall be compiled of the work of the Commission, which along with the source documentation, will be maintained at the seat of the KFO.
12. The service of the works of the Contest Commission is ensured by the Krakow Film Commission

§ 11

Projects which do not receive support through the contest in a given calendar year may qualify for re-entry into the Contest in the two subsequent years after submitting an application on the basis outlined in the Contest Rules which are in effect in the year of submission of the renewed application and, if the conditions defined as requirements for entry into the contest are met on the day submission of the application in the year in which the it is re-entered in the Contest.

§ 12

1. The results of the Contest are provided to the applicants in writing, within a period of 14 days from the date of taking the final decisions concerning the contest by the Contest Commission.
2. The final results of the Contest will also be published on the Internet site of the KFO www.film-commission.pl and in a location accessible to the public at the seat of the KFO.

3. Detailed evaluations of the applications are made available to the applicants at the seat of the KFO after prior written agreement to a date.
4. The decision of the Contest Commission concerning the judgement of the Contest is not subject to appeal by the applicants.

§ 13

1. The decision of the Contest Commission concerning the judgement of the Contest comprises a basis for the invitation of the Awardee to negotiate a co-production agreement. The agreement shall define the scope and conditions of the co-production and the principles of participation by the parties in the profits of the co-production. The fundamental provisions of the agreement comprise annex No. 3 to this agreement.
2. The execution of the co-production agreement is the final condition of the awarding of support for the Film Production of the Awardee by the KFO in the scope of the Regional Film Foundation in Krakow, as well as support in the form of material support by the KFO.
3. Failure to enter into negotiations for a co-production agreement within 7 days of the announcement of the results of the Contest, despite having been summoned in writing by the KFO (within a period of 7 days from being summoned) will result in the forfeit of the award by the Awardee and that the Awardee will not be allowed to enter into negotiations.
4. Failure to execute the agreement within a period of 14 days after the initiation of negotiations shall result in no agreement being entered into with the Awardee and that the Awardee shall forfeit the possibility of receiving support from the KFO in through the contest in the current calendar year.
5. If the level of support is lower than the amount applied for, the applicant may refrain from signing the agreement. Should the decision be taken to refrain from signing the agreement, the applicant is obliged to inform the KFO in writing of the decision within seven days of being informed of the Contest results.
6. In the situations described in paragraphs 3 – 5 the applicant who received the second-best evaluation from the Contest Commission will be invited to negotiate a co-production agreement within seven days, and in the case that no co-production agreement is executed with that entity, the following entity according to the evaluations will be invited to negotiation by the Contest Commission.

§ 14

The fundamental provisions of the co-production agreement comprise annex No. 3 to these Rules.

§ 15

1. After the completion of performance of the co-production agreement the recipient of the support is obliged to present a final report to the KFO, in which a substantive description of the works carried out and presentation of the accounting of the costs incurred are included. In the case that the conclusion of the agreement falls in subsequent years, the recipient of support is obliged to present a partial report to the KFO, in which a substantive evaluation of the stage of completion of the work is presented, as well as an accounting of the costs incurred. The deadline for submission of the final report or partial report will be defined by the co-production agreement. Copies of proper accounting evidence are to be attached to the report, along with evidence of payment documenting the expenditure of the sum received. The report requires the written acceptance of the Director of the KFO.
2. Failure to settle accounts concerning the Foundation's share in the production in the period defined in the agreement will result in the obligation to return the funds provided with statutory interest.
3. In the case of support divided into instalments, non-acceptance of a partial settling of accounts will result in the withholding of payment of the following instalment until the improprieties discovered are remedied.

§ 16

1. The receiver of support is obliged to use the resources provided in accordance with the aims for which they were received and with the signed co-production agreement.
2. The KFO reserves the right to examine the documents on the basis of which the funds from the Contest are expended, including detailed invoices, receipts and proofs of completion of transactions. These examinations may take place up to five years from the date of the settling of accounts of the agreement to provide financial support.
3. Expenses incurred in the year 2010 or after the submission of the application may be included in the Contest settlement.
4. Only qualified costs may be covered by funds received through the Contest. Expenses incurred by the project are qualified if:
 - a. they are necessary for the completion of the project, and therefore have a direct relationship with the project goals;
 - b. they are incurred after 1 January 2010 due to the Production of the Film which is covered by the application, including costs of preliminary works (development) and the production of copies greater in number than one.

- c. they are cost effective, i.e. they fulfil the requirements of cost effective financial management,
 - d. they are truly incurred;
 - e. they are fairly documented and verifiable;
 - f. they were projected in the confirmed project budget;
 - g. they are in compliance with the detailed rules described in these Contest Rules;
 - h. they are expended in compliance with applicable national laws.
5. Truly incurred expenses is to be understood as an expense incurred in the fiscal sense, i.e. as an outflow of monies from the cash resources or bank account of the applicant. Evidence of the incurrance of an expense is a paid invoice or other fiscal document of equivalent evidentiary value with proof of payment.
6. Non-qualified costs are:
 - a. purchase of durable goods and office equipment, furniture, vehicles, and infrastructure expenses;
 - b. purchase of developed or undeveloped real estate (land);
 - c. taxes on goods and services (VAT) that cannot be refunded based on national law, i.e. the Act of 11 March 2004 on Taxation of Goods and Services (Journal of Laws No. 54, item 534, with subsequent amendments).;
 - d. remuneration resulting from any functions performed by the applicant who conducts a business as a natural person (registered in the register of business activities);
 - e. any fees and or interest (statutory or contractual) incurred as a result of financial liabilities, or interest on loans;
 - f. costs of financial penalties or expenses associated with lawsuits;
 - g. depreciation costs.
7. The KFO may withdraw from the co-production agreement in the case of use of the financial support for the undertaking that is not consistent with its intent, untimely, or incompetent performance of the agreement or other reasons indicated in the co-production agreement. Withdrawal from the agreement will result in the obligation of the mutual return of benefits, and in the case of material benefits of their equivalents. The KFO will at the same time define the time period for the return of benefits and the number of the bank account to which payment should be made.

§ 17

The applicant is obliged to include in promotional materials and in the opening titles and closing credits of the Film information concerning the participation of the KFO, the City of Krakow and the Małopolska Voivodeship in the production, according to the rules and the formula included in the agreement.

§ 18

1. Contest participants may request clarification of the provisions of the Contest Rules in writing, by fax, or by email at the address and fax number of given in the contest announcement.
2. Responses to questions associated with the Contest Rules will be provided under the condition that they arrive at the address or fax number given in the contest announcement no later than 3 days before the application deadline. Clarifications and information will be given in writing or by fax or electronic mail.
3. Information about the Contest and responses to questions will also be found on the Internet site www.film-commission.pl.
4. In justified cases the KFO may at any time before the deadline for submission of contest works change the content of some provisions of these Rules.
5. The content of every adjustment will be immediately provided to all Participants in the Contest who have requested in writing an application for the publication of the Rules, and also published on the Internet site of the Foundation.
6. The KFO will extend the deadline for the submission of application of contest works by seven days, if as a result of modification of the content of the Rules, additional time will be necessary for the compilation of Contest applications.
7. Modifications made by the KFO to the Rules are clarifications provided are valid for all Contest participants.

Annexes:

1. Application for funding of Film Productions,
2. Project evaluation sheet,
3. Fundamental provisions of the co-production agreement.

Application No.

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Date of receipt

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Application
for financial support for film production

Title _____

Director _____

1. Basic Film Information:

1. dramatic/documentary/animated (underline the correct option)
2. length (in minutes) _____
3. author's first film/ second film/ subsequent film/ other _____ (underline the correct option)
4. domestic production / international co-production (underline the correct option, in the case of international co-production provide details of the countries and their percentages of participation in the production)

2. Information about the applicant:

1. Full name _____
2. Legal status _____
3. Legal address _____
4. Correspondence address _____
5. Contact information (telephone, fax, email) _____
6. Tax identification number _____
7. National Business Registry number _____
8. Name of bank and bank account number _____

1. Person responsible for preparation of application and contact with the Regional Film Foundation in Krakow (first name and surname, contact telephone) _____

3. Information about co-producer:

2. Full name _____

3. Address of seat _____

4. Correspondence address _____

5. Contact information (telephone, fax, email) _____

6. Person responsible for contact with the Regional Film Foundation in Krakow

4. Full information about film:

1. Working title _____

2. Original screenplay / adaptation (underline the correct option, in the case of adaptation give title and author of the adapted work)

1. Director _____

2. Production manager _____

3. Screen writer _____

Camera operator _____

Scenographer _____

Editor _____

5. Cast (main roles)

6. Brief description of film:

7. Production dates

Activity	From	To
preliminary period / development		
pre-production		
filming		
editing and sound		
post-production		
production of master copy		
launch of distribution		

8. Production locations:

Activity	Location (city)	Number of days in region
production base		
filming		
laboratory		
characteristic regional sites		
participation by local actors		
participation by local contractors (companies)		

9. General costs:

	PLN	%
Total projected cost of film		100
Amount of financing applied for from the REGIONAL FILM FOUNDATION IN KRAKOW:		
Declared level of producer's own resources: a) financial input b) material input		
Declared level of financial resources from other sources: (in this item the combined sum of inputs received from other sources is to be entered, and in fields a,b,c, and d below their component amounts should be given)		
a) other public funding sources: (e.g. the Polish Film Institute)		
b) funds from entities not belonging to the public financing sector (e.g. co-producers, television broadcasters, distributors that have provided co-production inputs):		
c) funds from foreign sources (in the case of co-production enter the name of the foreign co-producer and the name of the country)		
d) from other sources (give sources)		

Notice! The applying Producer's own input should be specified: is it financial or material input. If it is material — a **specification of the applying Producer's own investment** containing detailed calculations of that investment should be attached to the cost estimate (i.e. every element of material input and its estimated value).

10. Required annexes:

No. of Annex:	Contents of annex
1.	1. Screenplay of film with documentation proving possession of rights to screenplay 2. director's shooting explication, and in the case of animated films, artistic designs (minimum six items) and storyboard (not obligatory)

2.	Detailed cost estimate (in PLN)
3.	<p>Director's Curriculum Vitae and description of director's work on two most recent films (festival awards, theatrical attendance, sales and rentals of VHS and DVD, number of television stations and number of broadcasts of film) – separate for each film or in the case of the first film, school films, "off" films, and television productions (attached to the application in the form of audio-visual recordings), and others. The properly compiled <u>annex</u> should include the following fields:</p> <p>Film 1. Title: „.....” Year of production..... Awards (most important):..... Theatrical attendance:viewers (give number) VHS sales(give quantity) DVD sales(give quantity) Number of television broadcasts (on what station) — if the TV station was a co-producer of the film, indicate) international sales(give countries)</p> <p>Likewise for Film 2</p>
4.	Letters of intent possessed, copies of agreements or other documentation confirming co-financing of the film or participation of co-producers.
5.	Producer's documents of registration (National Court Register or certificate of entry into register of business activities — no older than six months — and National Business Registry number)
6.	Indications of producer's projected results (brief profile of audience, expected number of viewers, TV interest, international audiences). A Promotional plan and Distribution and promotion plan for the film should be included.
7.	Cast list – only in the case of dramatic films

XI. Applicant's Statement.

I declare that no conditions exist as defined in Art. 22, paragraph 2 of the Act on Film Production dated 30 June 2005 (Journal of Laws 132, item 1111), that would make the rendering of financial support by the REGIONAL FILM FOUNDATION impossible.

place, date

signature

XII. The statement of the applicant, that the applicant is not in default on payments to public or legal entities.

I declare that I am not in default on payments to public or legal entities.

place, date

signature

XIII. Statement by the applicant of fulfilment of the requirements defined in § 6, point 14 of the Contest Rules. I declare that:

- a) I possess authorisation to carry out the activities or functions described, if the law requires the possession of such authorisations,
- b) I possess the necessary knowledge and experience and dispose of the technical means and personnel to carry out the project.
- c) I am in a financial position to invest in the scope of my own investment a minimum of 10% of the cost of the project.

place, date

signature

The application is to be signed by persons authorised to represent the applicant, make declarations of intent and undertake financial obligations in compliance with the documents of registration.

First name and surname	Position/function	Name stamp	Signature

This application fulfils the formal requirements / The application does not fulfil the formal requirements (cross out the unnecessary)

location, date

signature of verifier of project



REGIONALNY
FUNDUSZ
FILMOWY
w KRAKOWIE

Application No.

Date of Session

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**Project Evaluation sheet,
for the “Contest for Support of Film Productions”
REGIONAL FILM FOUNDATION IN KRAKOW**

Project Title _____

First and Last Name of Expert _____

CRITERIA FOR THE EVALUATION OF THE PROJECT **20 points – maximum score, 0 points – minimum score**

1. Level of expenditures to be made in Małopolska:

SCORE
(from 0 to 20 points)

2. Use of shooting locations that are characteristic of Małopolska and the City of Krakow

SCORE
(from 0 to 15 points)

3. Connection to Małopolska and Krakow – by subject, creators, performers

SCORE
(from 0 to 15 points)

4. Expected outcome of production

SCORE
(from 0 to 15 points)

5. Attractiveness of the project, especially regarding interest by television and cinema-going audiences

SCORE
(from 0 to 5 points)

6. Manner of distribution of the film

SCORE
(from 0 to 5 points)

7. Intellectual and aesthetic value of the project and its ability to create a lasting positive image of Małopolska and Krakow

SCORE
(from 0 to 5 points)

8. Artistic value of the project Dramatic construction, storytelling effectiveness, effectiveness of message and imagery, including clarity of character, element of surprise and twists in the plot.

SCORE
(from 0 to 5 points)

9. Psychological truthfulness of the characters, clarity of persona of heroes, cohesiveness of personalities
effectiveness of interpersonal relationships

SCORE
(from 0 to 5 points)

10. Evaluation of cost calculations

SCORE
(from 0 to 5 points)

11. Percentage participation of KFO funds in production costs

SCORE
(from 0 to 5 points)

12. Producer's and director's works to date, including artistic and economic results

SCORE
(from 0 to 5 points)

SUM OF POINTS RECEIVED (maximum number of points available: 105)

SUMMARY OF EVALUATION

SUM OF POINTS RECEIVED FROM PROJECT EVALUATION CRITERIA

DISCRETIONARY EVALUATION OF EXPERT* (up to 20 points)

IMPORTANT!

The justification for the number of points awarded **must be presented in the form of a review** (as Annex No. 1) written legibly or, if possible, by typewriter or computer.

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COMBINED (maximum number of points available: 125)**

* The expert has the right to assign additional points according to his or her own discretion, taking into consideration the aspects of the project not taken into consideration in the criteria, based upon “general impressions” made by the reading of the project. The discretionary evaluation may also include an evaluation of the previous works of the director and producer.

Without written justification of the discretionary evaluation (as a continuation of the form in Annex No. 1) it will not be taken under consideration.

**** the project must receive at least 75 points in order to receive the Expert’s recommendation.**

THE EXPERT IS REQUIRED TO FAMILIARISE HIS OR HERSELF with the rules of the “Contest for Support of Film Production”

Expert’s Signature

Annex No. 3 to the Rules of the II Contest for the Support of Film Production

Fundamental provisions of the CO-PRODUCTION AGREEMENT

§ 1

Subject of the Agreement

1. The **Producer** and the **Co-producers** mutually agree to produce on the basis of co-production with mutual application of financial and technical resources an audio-visual work, in the form of a(n) film under the working title of in. according to the screenplay which as **Annex No. 1** to this agreement comprises an integral part of this agreement, hereinafter referred to as the **Film**. The production of the Film will take place according to the **Production Timetable**, which as **Annex No. 2** comprises an integral part of this agreement.

All property rights applying to the abovementioned audiovisual work as a whole, and all rights to separate parts which may be distinguished will belong to the **Producer** and the **Co-producer**, as the **Production Partners** jointly on the bases defined in this agreement. The laws on co-ownership of fractional parts shall be applied to the rights of the **Production Partners** in this area. Any exercise of the abovementioned rights requires the written permission of the **Production Partners** under penalty of nullification.

2. The subject of this agreement is the establishment of conditions for the co-operation of the Production Partners in the scope of:
 - production of the Film,
 - inputs of the Production Partners in the production of the Film,
 - definition of the principles of mutual co-operation,
 - definition of the rights and obligations of the **Production Partners**,
 - distribution, promotion, recovery of costs and division of revenues/profits from the use of the Film.
3. The **Production Partners** declare unanimously that for the needs of the performance of the subject of this agreement they agree to engage in mutual co-operation. All decisions, including the acceptance of the film for review screenings, will be taken by the **Production Partners** jointly and they agree that the completion of mutual obligations with diligence and punctuality is a basic condition of the performance of this agreement.
4. The parties establish that the Film will be intended as programming material for television and the Internet may be used in other areas of use as agreed by the parties.
5. The parties declare that there are no company or association relationships existing between them.

§ 2

Transfer of Rights

1. By the virtue of this agreement the **Production Partners** agree; according to the mutually established division of tasks resulting from the **Film Budget and the Scope of contributions in kind of the Co-producer**, which as **Annexes 3 and 4** comprise an integral part of this agreement; to conclude, acting in their own name but on behalf of both **Production Partners**, agreements with all of the authors and performing artists who contribute creative effort to the making of the Film, the subject of which will be the acquisition of proprietary copy rights to the lasting or usable works (e.g. screenplays or existing musical works) in the Film, in the fields of use outlined in paragraph 2 below, for an unlimited period of time and an unlimited geographical scope, and the acquisition of the rights to dispose of and make use of artistic performances in the Film, in the scope of its audio-visual content, for all media and forms of use known at the time of conclusion of the agreement, for an unlimited time period and an unlimited geographical scope, and also the rights to use the names and images of the actors and other co-creators of the Film, in the interest of promotion of the Film. The co-producers agree on the basis of this agreement to transfer to themselves all rights acquired in the frame of the Film Production that are related to the use of artistic works and performances as well as exclusive property rights to the use of the above indicated artistic works and performances in the scope of the Film as a whole, in proportions corresponding to their participation in the production of the Film, defined in accordance with § 3 paragraph 3 below. The transfer of rights occurs at the moment of final review of the film by committee. The parties will be mutually entitled to proprietary copyrights to the Film, as well as related rights of the producer of the videogram in proportion to the participation of the Parties in the Production of the Film.
2. The list of main authors (including technicians) and performing artists who contribute creative effort to the making of the Film as **Annex No. 5** comprises an integral part of this agreement.
3. The transfer of rights mentioned in paragraph 1, occurs in the following areas of use:
 - 1) recording of the Film on recording media, irrespective of the system, format, or standard employed (film reels, cassettes, discs, compact discs, CD-ROM, VHS, DVD, VCD, VOD, or MP3, MPEG-4, WMV and DivX files, polygraphic materials etc.)
 - 2) reproduction using any techniques or methods, on any recording media, including: film or television techniques, including printing techniques in any form, digital or optical,
 - 3) circulation,
 - 4) saving in computer memory and multimedia networks or any other digital processing media,
 - 5) public performance, screening, or playing including cinema screenings, television broadcasts using cable or wireless techniques both from earth-based or satellite broadcasting stations,
 - 6) public performance of audiovisual works at trade shows, exhibitions, festivals, and other events of similar character,

- 7) rental or loan of media on which the Film is recorded,
 - 8) parallel or integral broadcast of the Film, re-broadcast, integral and simultaneous transmission by other television organizations,
 - 9) use of the Film or its parts, film and promotional materials associated with the work, and photos associated with the work or its creation, in any areas of use including advertising and promotional purposes of any kind,
 - 10) videograms i.e. reproduction and distribution (sales, rental, lease, exchange, loan, etc.) of storage media of audiovisual works for the use of non-public presentation, saving in to the memory of any number of computers and dissemination over the Internet, Intranets, and other computer networks in a manner which allows anyone to access the Film at the time and place of their choice, including "Video streaming" and "Video on demand" systems and "Pay per view" systems, regardless of the number of systems in the public network or presentations including in airplane cabins, ships, and busses, in hotels, and other transmission systems (including so-called simulcasting or webcasting), in an uncoded or coded manner, in open or closed circuits.
 - 11) the right to use in telephone networks, including in text and audiovisual transmissions (SMS, MMS, WAP, teletext)
4. The disposers of rights undertake to transfer the rights for other areas of use, at the request of the recipient (the given **Production Partner**), within the scope of pre-arranged remuneration. In such case the acquirer of rights shall transfer them in the proper proportion to the other **Production Partner**, in compliance with the provisions established in paragraphs 1 and 3.
 5. The **Production Partner** being a party to the agreements laid out in paragraph 1 and 2 shall be responsible for the proper acquisition of producer's rights, proprietary copyrights and related rights and for the transfer to the other **Production Partner**, and accepts responsibility for securing the claims of third parties, which may arise from the transfer of the rights described in the agreement.

§ 3

Budget

1. The **Production Partners** mutually agree to allocate and assure the financial resources and services in accordance with the **Financial Structure of the project**, which as **Annex 6** comprises an integral part of this agreement, in a combined assumed total sum of, which will permit, in accordance with the **Film Budget (Annex 3)**, the entire cost of the production of the Film to be covered.
2. In accordance with intentions of the **Production Partners**, the Film is to be financed by each in accordance with the established Inputs. In order to ensure financing, each **Production Partner** has the right to enter into agreements with subsidiaries, investors, and other institutions in its own name and on its own responsibility and risk, taking into consideration the obligations resulting from this agreement.
3. The **Producer's** input into the production of the Film shall depend on the provision of material and financial inputs, including finances received from, in the scope resulting from the

Film's Budget (Annex 3), excluding the services defined in the document the Scope of contributions in kind of the Co-producer (Annex 4).

4. **The Co-producer** agrees to allocate and ensure contribution in kind in the form of services, as defined in the document **Scope of contributions in kind of the Co-producer (Annex 4)**, due to which the **Co-producer** will acquire a portion of all property rights to the Film, especially those described in § 2 of this agreement, in part corresponding to the proportion of inputs incurred by the **Co-producer** for the production of the Film (within the scope of contribution in kind of the **Co-producer**, as specified in **Annex 4**), in relation to the total inputs provided for the production (truly executed budget).
5. Exceeding the sum allocated in the **Film Budget (Annex 3)** by a given **Production Partner** by more than 10% of the planned input, including through obligation to pay a greater amount requires the written consent of the other **Production Partner** on penalty of nullification.
6. In the case of the incurrance by a given **Production Partner** of expenses exceeding the value defined in the **Film's Budget (Annex 3)**, due to causes created by the other **Production Partner**, the parties will alter the proportion of participation in the rights to the film in writing to correspond to the change in proportion of expenses.

§ 4

Principles of Co-operation

1. The **Production Partners** agree that the Producer will be responsible for the entirety of organization of the production of the Film on the bases of and according to this agreement, including the **Production Timetable**, which constitutes as **Annex No. 2** an integral part of this agreement. **The Producer** will be obliged to receive written permission of the **Co-producer**, under penalty of nullification, for any deviations concerning the screenplay, the technicians, or the cast, especially including those defined by the **Production Partners** in accordance with **Annexes 1 and 5** to this agreement.
2. The **Production Partners** will inform each other on an ongoing basis, and no less than once every two weeks, about the progress made on the Film. The **Production Partners** will submit to one another mutual reports concerning the expenses incurred and the scope of services performed (execution of the **Film's Budget**) and on any events or essential questions from the production perspective. The reports will contain information corresponding to the requirements defined in **Annex No. 7** to this agreement, and designated persons will send such reports, to the persons indicated in § 8 of the agreement at the request of either party. In addition, during the filming stage, the set manager will make daily reports to the Co-producer.
3. The **Producer** agrees to make the review of any and all documents concerning the performance of this agreement and the production of the film available to the authorised representative of the **Co-producer**, at every stage of its production. The entry above also applies to accounting documentation concerning the settling of accounts with the distributor mentioned in paragraph 4 below.

4. The Parties agree that they will jointly select distributors including distributors for theatrical release, video cassettes and DVDs in Poland and abroad, taking into consideration the criterion of ensuring the best possible distribution conditions for the film. The agreement with the Distributor, in the scope of Film distribution in Poland and abroad, containing a budget, defining the costs of distribution (P&A) and the promotion plan for the Film, will be concluded by the **Producer** and in the name of the Co-producer, after prior acceptance of its conditions and content in writing, under penalty of nullification, by the **Co-producer**.
5. The **Co-producer** agrees to make possible for the **Producer** the conclusion of an exclusive license with the Distributor concerning rights to distribution of the Film, and will refrain from issuing a license for the exercise of those rights, under the condition that the conditions of issuance of the Distribution license are acceptable to him, and that he receives remuneration from them at a level corresponding to his participation in the revenues from distribution of the Film, defined according to § 5 below. Specifically required are approvals by the Co-producer concerning any decision regarding:
 - distribution costs,
 - promotion plan, including participation in special screenings and festivals, as well as forms and content of advertising and promotional materials concerning the Film (including trailers),
 - number of copies of the Film intended for theatrical distribution,
 - transfer of distribution rights to another distributor.

In any and all materials concerning the Film in which the Producer is identified, the Co-producer will also be identified.

The Producer agrees to work worth all due diligence in the conclusion of and performance of the agreement with the distributor, in the aim of recovering the greatest possible revenues from the distribution of the film.

6. **The Producer** will transfer any information concerning the distribution or related to the settling of accounts related to distribution, and conduct settlement of accounts with the **Co-producer**, in accordance with § 5 of the agreement below, on the bases defined in the Agreement with the Distributor, not less than once per quarter. The Agreement with the Distributor will make provisions for the settling of accounts and the right of the Co-producer to receive distribution reports directly, and it will oblige the Distributor to make available to the authorised representative of the Production Partners examination of the accounting documents of the Distributor in the interest of verification of the settlement of accounts in relation to the sales of license to the Film.
7. In the case that any of the above information is not transferred directly by the Distributor, the **Producer** undertakes to take all necessary action in the interest to retrieve it any transfer it to the **Co-producer** immediately following its retrieval.
8. The **Producer** also undertakes to come to agreement with the Co-producer on any fundamental decisions concerning distribution, such as: premiere dates, dates of commencement of circulation (sales) of recordings of the film. A clause will be included in the agreement with the

Distributor containing the obligation to govern the question of due compensation to the Co-creators of the Film from the users of the audiovisual work and excluding the Production Partner from claims which are made upon them in this area.

9. The **Co-producers** agree to mutually prepare the content of the opening titles and closing credits and to establish the content of the copyright notice. In the opening titles and closing credits, the following will be named:

.....

The remaining credits and titles will be in accordance with all contractual requirements, taking into consideration the requirements of artistic unions, and the requirements of other co-producers, distributors, or sub-distributors. None of the **Production Partner** will grant rights to credits to any third party without the agreement of the other party, granted in writing.

10. The **Production Partner** will make all due diligence to ensure that the production of the film will commence on.

§ 5

Distribution, recovery of costs and division of profits

1. The **Production Partners** agree that the first revenues from the distribution of the Film in all areas of use will be received in their entirety by the Distributor, until the Distributor's expense for distribution are paid, in accordance with the **Financial Structure of the Project** ("Minimum guarantee" MG) and expenses for distribution (P&A). The **Production Partners** will jointly approve the projected distribution costs presented by the Distributor (P&A) in writing under penalty of nullification.
2. After the settlement of the Distributor's costs for production and distribution costs, in accordance with paragraph 1 above, each of the **Production Partners** will receive a share of the revenues from the distribution of the Film in all areas of use, in accordance with their rights to participation in the rights to the Film and the principles resulting from the agreement with the PFI on subsidies for production of the Film, in particular:
 - a) firstly, the revenues up to the level of the expenses incurred by the **Production Partners** in the scope described in § 3, paragraphs 3 and 4, will be divided among the **Production Partners** in proportion to the factual incurrence by the given **Production Partner** of expenses for the production of the Film remaining to the expenses factually incurred by the other **Production Partner**, while not taking into consideration the proportion of costs covered by subsidy of the Polish Film Institute,
 - b) in revenues exceeding the expenses factually incurred by the **Production Partners**, in accordance with point a) above, the **Co-producers** will be entitled to participation in the proportions defined in § 3 paragraph 4 of the agreement (i.e. in proportion to the expenses factually incurred by the Co-producers in the factual execution of the film budget), taking into account the rules of repayment of subsidies to the PFI.
3. The parties will establish the level of participation in revenues from the use of the Film after the completion of the Film in Annex No. 10 to this agreement shall be established in accordance with the principles defined in this agreement.

§ 6

Deposit of film material

1. The **Production Partners** agree that the raw materials of the Film will be their joint property and will be stored in an archive selected by the **Producer**. The **Co-producer** will have unrestricted access to the raw materials so that he may, at his own expense, make additional copies.

Each of the Co-producers will be in possession of copies allowing them to make use of the film under conditions agreed to by in the agreement, in particular, the Co-producer will be able to make use of the Film at the Film Music Festival, among other events.

2. The raw materials of the Film consist of:
 - Picture and sound negatives
 - Betacam Digital copy
 - VHS and DVD copy
 - dialogue list,
 - list of opening titles and closing credits,
 - summary (trailer) of the Film,
 - photographs,
 - making-of,
 - recording of soundtrack (music) in the Film.
3. Each of the **Production Partners** will make all due diligence that the raw materials of the Film do not come into the possession of unauthorised persons. The release of this material constitutes the release of information concerning the film production, as discussed in § 9 of the agreement.

§ 7

Specific undertakings of the Production Partners

1. The **Production Partners** agree not to enter into any agreement relating to the Film production, the provisions of which would be contradictory to provisions of this agreement or would in any way limit the rights obtained by the **Production Partners** concerning to their participation in the production of the Film.
2. The **Production Partners** declare and guarantee that have not and will not establish a lien on the rights to the Film, nor any other assurances that would in any way interfere with the interests of the other **Production Partner**.

3. Neither party may be held responsible for damages, costs, or expenses arising from or due to tardiness, undue performance or non-performance of the agreement if it occurred as a result of a force majeure. In such a case, neither party may make a claim for contractual penalties

A force majeure in the understanding of this agreement means any unforeseen situation or event of an unusual character, which is beyond the control of the parties, and prevents either of them from fulfilling any of their obligations as provided for in this agreement, not resulting from error or neglect on the part of the parties and being insurmountable in spite of the making of all due diligence, in particular: natural disasters such as floods, hurricanes, extraordinarily strong winds, tornadoes, exceptionally intense or long-lasting precipitation, or exceptional and external events which could not be prevented (war, martial law, uprisings, revolution, civil unrest, etc.) In the understanding of this agreement, equipment, personnel, or material deficiencies, labour issues, strikes, financial difficulties, or a combination of these factors does not constitute a force majeure. The party impacted by a force majeure must immediately inform the other party of the situation, the nature of the problem, the projected duration of the problem and its foreseeable consequences, and take action to minimize the harm done. The party making a claim of the circumstances of a force majeure should document its existence.

4. The **Producer** (as executive producer) undertakes to insure the Film production against the effects of fortuitous event, at least in the scope of:
 - failure to provide services on the part of key persons of the production (e.g. the failure of an actor to appear on the set) for the entire duration of the production, i.e. pre-production, production, and post-production,
 - destruction/loss of the negative or digital recording,
 - destruction/loss of filming equipment,
 - destruction/loss of set decoration, costumes, props,
 - civil insurance for events associated with the production of the Film,
 - accident insurance for cast and crew,

at a sum (limit of indemnity) previously accepted in writing by the **Co-producer** on penalty of nullification.

§ 8

Contact between the Production Partners

1. The **Production Partners shall** designate the following representatives as authorised to receive information and take binding decisions concerning the Film production.
2. The **Production Partners** shall inform one another on an ongoing basis of the progress made in activities associated with the performance of this agreement and co-operate with one another in protecting their mutual interests so as ensure the production of the Film at the highest possible level of quality. In the case that difficulties arise that require the taking of joint decisions, each of the **Production Partners** is obliged to inform the other **Production Partner** and take action to permit the most beneficial possible outcome. The CO-PRODUCER will be authorised to examine

books, receipts, and bookkeeping concerning the Film production and all documents associated with the production of the film.

§ 9

Confidentiality

1. The **Production Partners** agree to maintain confidentiality concerning any and all information concerning the Film production, in particular not to release to any third parties any information concerning the **Film's Budget**. Each of the Production Partners is responsible in this area for persons who carry out responsibilities resulting from this agreement and agrees to obtain from those persons written agreement to maintain confidentiality.
2. The provisions of this paragraph do not apply to information that:
 - 1) is common knowledge,
 - 2) has been previously released by a **Production Partner**, which concerns him exclusively, or that was provided to the **Production Partner** with an exclusion from the obligation to maintain confidentiality,
 - 3) was released in accordance with mandatory legal requirements, on the basis of a court order or other decree by another public authority.
 - 4) is necessary for the proper settlement of accounts of the **Co-producer** with financial entities or entities supporting the Co-producer's activities or for other reasons resulting from applicable laws or entered agreements.

§ 10

Dissolution of Agreement

1. In the case of serious violations of the fundamental provisions of this agreement by one of the **Production Partners**, the other **Production Partner** may demand payment of contractual penalty of an amount equalling ...% of his financial input/ PLN In such circumstances, that **Production Partner** may withdraw from the agreement effective immediately, after preparing a written summons to remedy the violation in a specified, appropriate period and the failure to remedy the violation in that period. The authority above does not exclude the claim for appropriate indemnification which exceeds the contractual penalty
2. Serious violations by a party to the contract are specifically:
 - a) failure to fulfil the obligations concerning properly contributing the production inputs according to the production timetable,
 - b) failure to provide required information of and to obtain acceptance for budget overruns,
 - c) failure to report revenues obtained,
 - d) failure to inform and to obtain acceptance of changes in the basic assumptions of the project.

- e) violation of the principle of settlement of support conferred by the Co-producer,
4. The court holding jurisdiction over conflicts resulting from this agreement will be the appropriate court for the **Co-producer**.

§ 11

Final Provisions

1. If any provision of this agreement is rendered invalid or is not applicable, the remaining provisions remain in force, and the **Production Partners** will attempt to replace the invalid provision with a valid provision which best corresponds to the basic intent and aims of the agreement.
2. Any amendments to the agreement must be rendered in writing to be valid.
3. In cases not governed by the provisions of this agreement the appropriate provisions of the Civil Code and copyrights shall be applied.
4. This agreement has been compiled in two identical copies, one for each of the **Production Partners**.

.....
PRODUCER

.....
CO-PRODUCER

Annexes:

- 1) *Screenplay of the Film, by*
- 2) *Production timetable*
- 3) *Budget of the Film,*
- 4) *Scope of the Co-producer's input*
- 5) *List of principal authors and performing artists in production, creative input in the making of the Film,*
- 6) *Financial structure of the project,*
- 7) *Reporting requirements in the making of the Film,*
- 8) *Copy of Producers Registration in the National Court Registry,*
- 9) *Final determination of participation in revenues from the use of the Film.*