

The Film Fund: Terms and Conditions

By submitting your feature film project to the Film Fund for consideration you are confirming that you have read and understood the terms and conditions set out below and agree to abide by them. The UK Film Council may change these terms and conditions from time to time and we advise that you should visit this page regularly to check the latest version of these terms and conditions.

Applying to the Film Fund

1. You must read the **general information** about the Film Fund which sets out parameters of the Fund, how to make an application, who can apply and what happens next.
2. Applications must be made by or through a company registered and centrally managed in the UK or another state of the European Union or European Economic Area.
3. Your film project must be:
 - (a) capable of being developed as a feature-length fictional or documentary theatrical film (it cannot be a programme, series or serial intended primarily for television viewing);
 - (b) capable of obtaining theatrical and video release certificates no more restrictive than BBFC '18';
 - (c) be wholly capable of qualifying for certification as a British film through:
 - (i) Schedule 1 to the Films Act 1985 (the Cultural Test);
 - (ii) one of the UK's official co-production treaties; or
 - (iii) the European Convention on Co-Production.

For further information on qualifying please see www.ukfilmcouncil.org/qualifying.

If are looking for development support and do not know whether your project is going to be capable of qualifying as a British film then, as a guide, we ask you to consider the following criteria:

- whether the project is set in the UK;
 - whether the lead characters are British;
 - whether the film is based on British subject matter or underlying material;
 - whether the script is intended to be developed in the English language (or in a recognised regional or minority language);
 - whether there is significant representation/reflection of British cultural heritage;
 - whether there is significant representation of British cultural diversity;
 - whether there is significant representation/reflection of British culture through a novel and creative approach to filmmaking;
 - nationality or residency of writer, director, producer, (European Union or EEA).
4. The decision of the UK Film Council on whether we wish to support your project is final.
 5. The UK Film Council's Development Fund, New Cinema Fund and Premiere Fund have now closed. No resubmissions can be made to the Film Fund for projects that it has rejected or in respect of a project previously rejected by any of the above funds, unless specifically invited to do so by the Film Fund.
 6. Part or all of the information you give to us will be held on computer and used for statistical purposes. It will also be used for the administration of applications and awards. We may provide copies of the information in confidence to individuals or organisations who are helping us assess applications or monitor funding and such information may also be shared in connection with these purposes with other companies in the UK Film Council group of companies.
 7. Applications to the Film Fund are made at your own risk. The UK Film Council will not be liable for loss, damage or costs arising directly or indirectly from:
 - (a) the application process;
 - (b) the UK Film Council's decision on a project; or
 - (c) dealing with the application.

8. The UK Film Council will publicise information on the number of applications it receives and the awards made.
9. The Freedom of Information Act 2000 gives members of the public the right to request information held by the UK Film Council. This includes information held in relation to applications to the UK Film Council's funding programmes. If you choose to apply to the UK Film Council you should be aware that the information you supply, either in whole or in part, may be disclosed under the Act.

If you are successful

You will be required to enter into an agreement with the UK Film Council which will set out the detailed terms and conditions of our funding. These conditions will include the following:

Development funding

10. You will need to establish clear **title** to your film project.
11. You will be required to assign a share of all **rights** (including copyright) in the film project to the UK Film Council as security for the funding awarded.
12. You will need to complete the development work by specified **dates**. If after 2 years from the date of the award the UK Film Council considers that the project has not made adequate progress, the UK Film Council reserves the right to put the project into turnaround.
13. You may be required to give the UK Film Council a first **option** to provide production finance to your film.
14. You will be required to **repay** development funding to the UK Film Council and provide us with a **profit participation** from any films that go into production.
15. You will be required to provide a **credit** to the UK Film Council.

Production funding

16. The UK Film Council will pay the funding to a **limited liability company** registered by you in the UK (either as a company incorporated in the UK or incorporated in the European Union or European Economic Area and registered as a branch in the UK).
17. Production finance will be **recoupable** by the UK Film Council. You will be allowed to receive a 25% share of the UK Film Council's recouped investment (rising to 50% once half of the UK Film Council investment has been recouped) provided that it is spent by you on further development and/or production of film projects and/or on staff skills training and subject to certain caveats. The producer entitlement will not be available where there is no UK tax credit advance included in the finance plan for the film. Further information on this **producer entitlement** can be supplied on request.
18. The UK Film Council treats its investments made through the new Film Fund as vatable transactions. All payments to companies registered for VAT will be made on receipt of a VAT invoice. When repayment income is received by the UK Film Council we will invoice the relevant company for the VAT element due on the repayment.
19. You will be required to provide the UK Film Council with a **net profit share**.
20. The UK Film Council will be entitled to receive a presentation **credit** and a closing credit on the film.
21. You will be required to assign a share of all **rights** (including copyright) in the film to the UK Film Council.

22. The UK Film Council will take a fixed and floating **charge** over the company producing the film and may take a charge over any co-producer entity.
23. You will need to establish clear **title** to your project.
24. If other production finance in your film is being contributed by a party who is seeking some form of UK tax benefit, that party will be required to provide direct undertakings and warranties to the UK Film Council in our standard form and the UK Film Council may disclose to Her Majesty's Revenue and Customs any information which it receives in relation to any **tax structure(s) or scheme(s)** which are utilised in connection with your film. The UK Film Council may withdraw any offer of funding if it has reasonable concerns relating to the terms of any third party finance.
25. You will be required to include in the budget for the film a contribution to the **Skills Investment Fund** of 0.5% of the film's production budget (subject to a cap of £39,500).
26. You will be expected to put in place all customary production **insurances** (including errors and omissions insurance) on which the UK Film Council must be named as an additional insured party.
27. You will usually be expected to have a **completion guarantee** in place for your film.
28. All revenues for the film must be collected by an independent **collection agent** and any irrevocable payment instructions issued by the sales agent on your film to sub-distributors must direct the payment of any minimum guarantee and overages to the collection agent.
29. The UK Film Council will require certain **approvals** over your film including in relation to the terms of other finance, the identity and terms of appointment of the sales agent and all distributors, and all documentation prepared in relation to the film.
30. The UK Film Council is keen to ensure that you receive your full entitlement to a reasonable **producer fee and production company overhead** from within the production budget and does not encourage the deferral of any such amounts.
31. An appropriate share of any underspend on the film must be returned to the UK Film Council.
32. Your film's budget should include sufficient funds to clear worldwide rights in **all media** from all individuals or organisations who are contributing to the production.
33. You will be required to ensure that your film is produced in accordance with the requirements of all unions and guilds having jurisdiction and with all applicable laws and statutes.
34. You may be required to comply with certain obligations in relation to **interns or trainees** as requested by the UK Film Council.
35. You must ensure that any agreement for the distribution of your film in the UK provides for the distribution of **soft-subtitling and audio-description materials** in cinemas and on any DVD release of the film.
36. You will be required to provide certain **delivery materials** of the film to the UK Film Council the costs of which must be include in the budget of the film.
37. You will be required to register your film with the **International Standard Audiovisual Number (ISAN)**.
38. The UK Film Council will not commence **cashflow** of its funding until it is satisfied that you have complied with certain conditions as set out in the finance agreement. At our discretion, we may provide an advance of our production award in the form of 'pre'closing cashflow' but there is no automatic entitlement to this and any request for pre-closing cashflow will be assessed and decided on a case by case basis. The UK

Film Council will holdback 10% of its funding until delivery to us of specified materials and a final audited cost report certified by an independent auditor.

39. During production of your film the UK Film Council will want **access** to information about the film and its production progress and to be able to attend any stages of production.
40. The UK Film Council will have consultation rights over the assembly and all cuts of the film and approval over the **final cut**.
41. The UK Film Council finance agreement will include standard termination provisions. In addition the UK Film Council will withhold or reclaim any funding in the following circumstances:
 - (a) You completed your application dishonestly or with incorrect or misleading information about your or your film project whether deliberately or accidentally; or
 - (b) If you act dishonestly or negligently in relation to the film.The UK Film Council will follow up cases of suspected fraud and will pass information to the police.