



**Distribution Sub-Regulations of the Netherlands Film
Fund Foundation**

1 March 2019

TABLE OF CONTENTS

GENERAL	4
- <i>Definitions</i> -	4
- <i>Scope of regulations</i> -	6
- <i>Types of subsidy</i> -	6
- <i>Slate funding</i> -	6
- <i>Applicant</i> -	6
- <i>Application</i> -	7
- <i>Form of subsidy</i> -	7
SPECIAL PROVISIONS	8
1. Dutch film production	8
§ 1.1. Distribution in the Netherlands	8
- <i>Subsidisable activity</i> -	8
- <i>Application requirements</i> -	8
- <i>Obligations</i> -	8
- <i>Grounds for refusal</i> -	8
§ 1.2. International festival selection	9
- <i>Subsidisable activity</i> -	9
- <i>Application requirements</i> -	9
§ 1.3. International distribution	10
- <i>Subsidisable activity</i> -	10
- <i>Application requirements</i> -	10
- <i>Grounds for refusal</i> -	10
2. Foreign film production	11
§ 2.1 Cinema release of a foreign arthouse film in the Netherlands	11
- <i>Subsidisable activity</i> -	11
- <i>Subsidy ceiling</i> -	11
- <i>Evaluation criteria</i> -	11
§ 2.2. Cinema release of a foreign children’s and youth film in the Netherlands (pilot programme 2019-2020)	12
- <i>Subsidisable activity</i> -	12
- <i>Evaluation criteria</i> -	12
- <i>Grounds for refusal</i> -	12
§ 3. Special distribution	13
- <i>Subsidisable activity</i> -	13
§ 4. Screening contribution for film theatres (pilot programme 2019-2020)	13
- <i>Subsidisable activity</i> -	13
- <i>Grounds for refusal</i> -	13
FINAL PROVISIONS	13
NOTES	15
<i>Article 1 (Definitions)</i>	15
<i>Article 6 (Application)</i>	16
<i>Article 7 (Subsidy form)</i>	16
<i>Article 10 (Distribution in the Netherlands / assessment criterion)</i>	16
<i>Article 13 (International festival selection / subsidisable activity)</i>	16
<i>Article 15 (International distribution / subsidisable activity)</i>	16

Article 18 (Cinema release of a foreign arthouse film in the Netherlands/subsidisable activity)..... 16
Articles 19 and 20 (Cinema release of a foreign arthouse film in the Netherlands/subsidy ceiling and assessment method) 16
Annex Points system for foreign arthouse film in the Netherlands..... 18
Notes Points system for foreign arthouse film in the Netherlands..... 19

Distribution Sub-Regulations of the Netherlands Film Fund Foundation of 1 March 2019

The Stichting Nederlands Fonds voor de Film [Netherlands Film Fund],

In view of the stipulations in the Algemene Wet Bestuursrecht (Dutch General Administrative Law Act),

In view of Article 10, paragraph 4, of the Wet op het specifieke cultuurbeleid (Dutch Cultural Policy (Special-Purpose Funding) Act),

decides as follows:

GENERAL

- Definitions -

Article 1

In these sub-regulations the terms below have the following meaning:

Arthouse film:	a feature film where the emphasis is on the artistic quality and the end result is so idiosyncratic and special that this is recognised and valued nationally and/or internationally;
Board:	the Chief Executive Officer (CEO) of the Fund;
Benelux:	the territory of Belgium, the Netherlands and Luxembourg;
Cinema operator:	the legal entity that continuously engages in business activities aimed mainly at the exploitation of one or more cinemas in the Netherlands;
Cinema release:	the national distribution of a film production, which is released for several weeks after the première and in several cinemas and/or film theatres (in the Netherlands) for a paying audience;
Foreign distributor:	a legal entity that continuously engages in business activities aimed mainly at releasing and exploiting film productions via the cinema and other distribution channels abroad;
Cross-media marketing & distribution plan:	a detailed plan of all activities in the field of marketing and distribution, using all possible forms of promotion, advertising and (social) media, for the cinema release and further exploitation of the film production;
Cross trailering:	the placing of the trailer for similar film productions that run before the cinema release in the cinemas or film theatres;
DCP:	(digital cinema package) the digitally stored copy of the film print, which can be screened in a cinema;
Distribution:	the professional release and exploitation of film productions;
Documentary:	a non-fiction film production, at least 70 minutes in length, suitable for cinema screening that throws light upon an aspect of reality where the director's own vision is given shape making creative use of cinematic resources in a personal style;
Dubbing:	the process of recording and editing the sound of a film production already supplied with M&E tracks where the original voices of the actors or characters are replaced;
Encoding costs:	digital conversion of a film production for a digital cinema release;
Estimates:	expectations of the gross and net income from all forms of exploitation in a low, medium and high exploitation model, also including VOD and/or other digital distribution and the viewer forecast and number of units of DVD and Blu-ray sold in the different exploitation models;
Film distributor:	a legal entity that continuously engages in business activities aimed mainly at releasing and exploiting film productions in the Dutch cinema and via other distribution channels. At the time the application for the subsidy is made, this legal entity has been based and active for at least two years beforehand in the Netherlands, a Member State of the European Union, or in a State that is party to the agreement establishing the European Economic Area, or in Switzerland;
Film print:	the negative of the film production or the definitive (digital) final version from which (digital) copies are made later;

Film production:	a cinematographic work;
Film theatre:	a cinema that is distinguished by a diverse provision in which priority is given to the arthouse film;
the Fund:	Netherlands Film Fund Foundation;
International sales:	the international sale of licences to film rights for film productions;
Children's and youth film:	a feature film for children and/or young people;
Short film production:	a film production with a maximum length of 10 minutes;
Marketing & promotion:	activities aimed at maximising the audience reach and a clear positioning of the film production in line with the target group and among other things consisting of the drawing up and implementation of a cross-media marketing and distribution plan tailored to the film production, working out the place of release, drawing up and implementation of a media and advertising plan, and the promotion, setting up and implementation of possible merchandising.
Mainstream film:	a feature film where the emphasis lies on the audience potential, that is the size of the audience reach relating to the intended exploitation results;
Minimum guarantee:	an advance on revenues from exploitation that is invested in the realisation or purchase of a film production and is not refundable, but can be offset against any revenues that a film production may generate through screening in cinemas and further exploitation in the widest sense of the word;
Minority co-production:	a(n international) film production to be released in the Dutch cinema and/or film theatres, for which the Dutch producer has limited decision-making powers and responsibility and has also contributed a minority of the funding for the film production;
M&E:	the audio tracks of a film production in which the dialogues are separated from the music and effects;
NFO:	Netherlands Film Theatre Consultative Committee;
Non-theatrical release:	all possible forms of distribution of a film production, except those via cinemas and film theatres, in any case including distribution on DVD and Blu-ray, via television, Video On Demand, pay per view and online distribution channels;
On demand:	digital applications that, for each film title or in the form of a subscription, puts the user in a position to view film productions, at the time when he wants;
Broadcasting:	making known to the public by screening the film production;
Outreach campaign:	a marketing method involving a targeted search for credible influencers (people, organisations, foundations, etc) who have a strong, clear link with the subject of the film and who in their turn can reach a very specific target group and tell them about the film;
Picture lock:	the finally decided montage version of the film production, based on which the further editing is carried out;
Press kit:	promotional material on the film production for the international press and promotional activities;
Printing costs:	the costs for duplication of the film print and/or production of a DCP for screening of the film production;
Prints & advertising (P&A):	the direct costs after the realisation phase relating to the cinema release and promotion of the film production ready for screening and the costs of the release copies (printing costs/DCP);
Producer:	the natural person who legally represents the production company and is ultimately responsible within the organisation of the production company for policy, operations and content;
Production costs:	the costs associated with the realisation of a film production;
Production company:	a legal entity that continuously engages in business activities aimed mainly at the production and exploitation of film productions and other audiovisual media productions. At the time of the application for subsidy this legal entity has been based and active for at least two years beforehand in the Netherlands, a Member State of the European Union, or in a State that is party to the agreement establishing the European Economic Area, or in Switzerland;

Publicist:	a person, who focuses on the international promotion of and communication about a film production;
Sales agent:	an internationally operating sales organisation that specialises in film, which sells the film to broadcasters, distributors and operators abroad on behalf of the production company;
Slate funding:	the funding of a package of projects;
Feature film:	a film production in the fiction genre with a screening time of at least 60 minutes, which is primarily intended for cinema release;
SWOT analyse:	an analysis of the strengths, weaknesses, opportunities and threats relating to the release of the film production;
Theatrical release:	the distribution of the film production in the cinema or film theatre;
World language:	a language that is used as a means of communication in large parts of the world.

- Scope of regulations -

Article 2

1. These sub-regulations apply to financial contributions that the board makes for the distribution of Dutch film productions and minority co-productions, and the associated marketing & promotion, for international festival selection and also for the distribution and associated marketing & promotion of foreign arthouse films which, for the purpose of these sub-regulations, also include foreign children's and youth films and foreign documentaries.
2. The General Regulations apply alongside and in addition to these sub-regulations.

- Types of subsidy -

Article 3

1. The board operates the following types of subsidy:
 - a.) project subsidies
 - b.) *slate funding*
2. The board grants project subsidies in the context of this scheme.
3. Without prejudice to the provisions of the previous paragraph the board may grant *slate funding* for the *theatrical* and *non-theatrical* release of foreign arthouse films.

- Slate funding -

Article 4

The board may stage an application round for *slate funding* for the *theatrical* and *non-theatrical* release of foreign arthouse films. The *slate funding* is granted for a period of two years. The board announces this application round and the related terms and conditions as well as the deadlines within which these can be registered, on the website of the Fund: www.filmfonds.nl. The board determines the subsidy ceiling for *slate funding* for each application round.

- Applicant -

Article 5

1. An application within the meaning of this regulation is made by a film distributor. If the film distributor is a member of the same group of companies as the producer and/or the production company, the Fund lays down further conditions.
2. Contrary to the first paragraph, subject to further conditions an application for the release of a Dutch film production in cinemas in the Netherlands can also be made by a production company represented by a producer in the case of a specific national release in film theatres and/or through other distribution channels aimed at a specific target group where
 - no film distributor has been found willing to release the film production in this way; and
 - the national theatrical and non-theatrical release is demonstrably guaranteed and takes place in collaboration with a film marketing or publicity agency.
3. An application for *slate funding* for foreign arthouse films is made by a film distributor who for the previous four calendar years or longer has continuously mainly released foreign arthouse films.
4. As an exception to paragraph 1 to promote the international distribution of a Dutch film production (Articles 15 to 17) an application can be made by a foreign distributor.
5. An application for a contribution to the costs for international festival selection of a film production is made by a production company represented by a producer.

6. An application for a screening contribution to increase the visibility of Dutch film productions in film theatres is made by a film theatre located in the Netherlands that screens Dutch film productions on a regular basis, is connected to the Maccs Box registration system, is classed as a Large Film Theatre by the Netherlands Cinema and Film Theatre Association and/or is affiliated to Europa Cinemas.

- Application -

Article 6

1. An application is submitted digitally, where a written copy of this digital application, signed by the applicant, is submitted to the Fund.
2. The applicant shall in any case submit with the application a declaration in which he guarantees, whether or not by means of a licence, that he has the screening rights to the film production(s) required for granting the subsidy.
3. Applications for a screening contribution from a film theatre must be submitted at the latest before 31 January in the year following the calendar year in which the results have been achieved.

- Form of subsidy -

Article 7

1. The subsidy that is granted on the basis of these sub-regulations, with the exception of the subsidy that is granted on the basis of Articles 8, 13 and 15, is repaid from income obtained from exploitation of the film production.
2. The board attaches further conditions to the subsidy for distribution.

SPECIAL PROVISIONS

1. Dutch film production

§ 1.1. Distribution in the Netherlands

- *Subsidisable activity* -

Article 8

1. Dutch film productions and minority co-productions that qualify as feature films and documentaries with a cinema release in the Netherlands and created with a realisation contribution under the Fund's Realisation Sub-Regulations are eligible for a financial contribution to meet the costs of marketing & promotion or prints & advertising as included in the list of *subsidisable costs of marketing, prints & advertising* and set out in the Fund's Financial & Production Protocol.
2. A contribution in the form of a *minimum guarantee* or a different type of contribution from the film distributor to the production costs of the film production is not counted in the subsidisable costs of marketing & promotion or prints & advertising.
3. The board may make a contribution for the cinema release of a short film production of a maximum of 10 minutes created with a realisation contribution under the Fund's Realisation Sub-Regulations, which is screened as a supporting film for a main film with a cinema release. This contribution consists exclusively of a payment for the *printing costs* or *encoding costs*.

- *Application requirements* -

Article 9

1. Applications for a financial contribution, as referred to in Article 8, may be submitted from the time when the subsidy for realisation based on the Realisation Sub-Regulations is granted by the Fund to the film production, no later than six weeks before the start of the theatrical and non-theatrical release of the film production for which a financial contribution was requested.
2. A cross media marketing and distribution plan with corresponding marketing & distribution budget and guarantees is submitted with the application for project subsidy, drawn up by the applicant, that must aim to achieve an optimum audience reach via a theatrical and non-theatrical release.
3. With the application the applicant submits a declaration in which he guarantees that his financial position, and in particular the relation between available resources and obligations entered into, prior to the application, has not undergone a negative development that has threatened the stability and solvency of the applicant and can also be realistically expected not to do so.

- *Evaluation criterion* -

Article 10

For a contribution to be awarded the cross-media marketing and distribution plan with accompanying marketing & distribution budget and underlying guarantees in respect of the theatrical and non-theatrical release must be of sufficient quality that, in the opinion of the board, there is a feasible, carefully thought-out and realistic audience approach, based on which the film production will attain optimal national and/or international reach.

- *Obligations* -

Article 11

The following obligations may be attached to the granting of a financial contribution:

- a. there should be a demonstrable and thorough distribution in the form of an optimal national *theatrical* and *non-theatrical* release;
- b. the distribution must begin within 24 months after the start of the film production;
- c. a window of at least 6 months between the theatrical and non-theatrical release on the one hand and television release in the open network on the other hand must be maintained for documentaries and 18 months for feature films and long animated films;
- d. at least 20% of the budgeted costs of *marketing, prints & advertising* must be demonstrably financed by the applicant.

- *Grounds for refusal* -

Article 12

In addition to Article 14 of the General Regulations an application for a financial contribution is rejected where a film production is involved:

- a. for which no realisation contribution under the Realisation Sub-Regulations has been granted;
- b. for which no cross-media marketing & distribution plan and/or marketing & distribution budget has/have been supplied that meet the requirements of the Fund;
- c. for which no guarantees for theatrical or non-theatrical release have been given;
- d. that has previously, as a minority co-production, received a financial contribution on the basis of *slate funding* (Article 18) or the Cinema Release of Foreign Children's and Youth Film pilot programme (Article 22).

§ 1.2. International festival selection

- Subsidisable activity -

Article 13

1. As an exception to Article 10, part g, of the General Regulations, a one-off subsidy may be granted to meet the international travel and accommodation costs incurred of the main producer if the film production is created with a realisation contribution under the Fund's Realisation Sub-Regulations and is selected for one or more leading international festivals appearing on the Fund's list of *international film festivals* set out in the Fund's Financial & Production Protocol (www.filmfonds.nl) and in so far as these costs have not already been paid by the Fund, the EYE Film Institute or third parties. Minority co-productions are also eligible for this one-off subsidy, providing this concerns the international travel and accommodation costs of the relevant Dutch minority co-producer.
2. The board can decide to make an additional contribution for the international promotion of a majority Dutch film production created with a realisation contribution under the Fund's Realisation Sub-Regulations if it is selected for the (main) competition of one of the leading international festivals appearing on the list of *international film festivals* set out in the Fund's Financial & Production Protocol (www.filmfonds.nl) and if there is demonstrable interest or potential for international sale and distribution in several countries.

- Application requirements -

Article 14

The applicant has a maximum of three months after screening at the festival to demonstrate for which leading international film festival the film production is or was selected and submit the application.

§ 1.3. International distribution

- Subsidisable activity -

Article 15

1. Majority Dutch film productions released in the cinema in the feature film and documentary categories and created with a contribution under the Fund's Realisation Sub-Regulations may be eligible for a financial contribution for international distribution if:
the film production is selected for a leading international festival appearing on the list of *international film festivals* set out in the Fund's Financial & Production Protocol (www.filmfonds.nl) and an international sales agent is linked to it.
2. For the international distribution via the cinema a financial contribution may also be requested from the Fund to meet the costs for:
 - a) the release of feature films and documentaries in cinemas outside the Benelux; and/or
 - b) the dubbing of children's and young people's films for the further distribution outside the Benelux;The amount of the contribution is determined by the Fund in each individual case.
3. Within the limited budget frameworks, the Fund gives priority to:
 - distribution in Europe and in countries with which the Netherlands has signed a co-production agreement;
 - distribution with subtitles or dubbing in one of the world languages.
4. The final contribution of the Fund for the release in cinemas abroad and/or the costs for dubbing as referred to in the second paragraph is determined in the light of the provision of the statement and bills in English and, in case of foreign cinema release, evidence of cinema release and results achieved by the foreign distributor. Costs relating to the minimum guarantee of the distributor or sales agent, taxes or costs for finishing and making an M&E track are not eligible for a contribution.

- Application requirements -

Article 16

1. Applications may be submitted from such time as the selection for the international film festival is known to not later than six weeks before the start of the relevant international distribution.
2. The film production must go into theatrical release in the relevant country with at least 5 (DCP) copies, the exception being documentaries for which a minimum of three (DCP) copies applies.
3. In the application the applicant must give a thorough justification of the need for the costs associated with international distribution. This in any case means that in addition to an agreement with the sales agent, the applicant must submit a distribution plan with the associated finance plan and the marketing and distribution budget for release in the cinema and/or for dubbing.
4. The applicant assumes responsibility for a minimum of 50% of the total costs of dubbing or, in the case of a foreign cinema release, 50% of the costs of prints and advertising.

- Grounds for refusal -

Article 17

In addition to Article 14 of the General Regulations, an application as referred to in Article 15 for a financial contribution is rejected in the case of a:

- a. film production that is a minority co-production;
- b. film production whose international distribution rights have not been sold within a period of 12 months after the first broadcast.

2. Foreign film production

§ 2.1 Cinema release of a foreign arthouse film in the Netherlands

- Subsidisable activity -

Article 18

An application may be made for a financial contribution in the form of *slate funding* for the purchase of foreign arthouse films - including minority co-productions created with a contribution under the Realisation Sub-Regulations - for Dutch *theatrical and non-theatrical release* and corresponding costs of marketing & promotion or prints & advertising. A slate consists of at least four and not more than six film productions.

- Subsidy ceiling -

Article 19

1. The board sets the subsidy ceiling per application round relating to the financial contribution as referred to in Article 18.
2. As an exception to Article 5 of the General Regulations an application is evaluated in the light of the criteria and the related points system in the Annex of these sub-regulations.
3. If a subsidy ceiling is insufficient to honour all the applications that are evaluated positively, only those applications are eligible for a financial contribution that according to the scoring in the Annex have obtained the most points in an application round.

- Evaluation criteria -

Article 20

1. An application for *slate funding* for the purchase (*minimum guarantee*) of foreign arthouse films as referred to in Article 18 is evaluated based on the track record of the film distributor, the motivation for the application and the corporate vision included with the application.
2. The track record of the film distributor is assessed on the basis of the results the film distributor has achieved over the past three years in the light of the criteria and scoring coupled with them in the Annex to these sub-regulations.
3. The motivation for the application and corporate vision of the distributor must in any case make it clear that the film distributor has a well-substantiated business plan with an action plan to purchase and release foreign arthouse films in the coming years that qualify within the framework for which the Fund makes *slate funding* available.
4. A film distributor may be eligible for a financial contribution in so far as:
 - a.) it has obtained at least two points per title and at least 22 points in total under the scoring system referred to in paragraph 2 with foreign arthouse films – eight titles – it has released in the Netherlands in the past three years, and
 - b.) the eight arthouse films released, as referred to under b, have had a minimum of 2,000 viewers per title, and
 - c.) its motivation for the application and corporate vision meet the requirements laid down by the Fund.

- Slate funding requirements -

Article 21

1. The applicant must be able to demonstrate that the financial contribution from the Fund has been invested in the purchase of new foreign arthouse films. It is a requirement that the film production:
 - a. has a maximum production budget of €5 million; and
 - b. in the year of purchase is selected for one or more leading international festivals appearing on the list of *international film festivals* in the Fund's Financial and Production Protocol (www.filmfonds.nl).
2. The film productions must be purchased within 18 months after the subsidy was granted and be given a national theatrical release in a minimum of six cinemas and/or film theatres as well as a thorough non-theatrical release within 24 months.
3. A minimum of 40% of the total contribution provided for slate funding must be spent on MGs [Minimum Guarantees] for acquisition of the Dutch rights. The MG paid to acquire the Dutch rights for each purchased film production is a minimum of €5,000.

4. If the Fund's financial contribution exceeds the total costs of the MGs, the film distributor must spend the remaining funds on P&A costs of the film productions purchased. In that case the proportion of the financing from the Fund contribution may not exceed 50% of the total P&A costs of the film production. A minimum of €10,000 must be spent on the P&A costs for each film production purchased.
5. A film production that has been obtained via a so-called sub-licence is not eligible.
6. If, in addition to the Netherlands, the MG also relates to the rights for the Benelux, the MG amount will be allocated in the proportion 2/3 the Netherlands, 1/3 Belgium and Luxembourg.

§ 2.2. Cinema release of a foreign children's and youth film in the Netherlands (pilot programme 2019-2020)

- Subsidisable activity -

Article 22

The Fund may organise a special application round for a financial contribution in the form of a project subsidy for the purchase and subsequent theatrical and non-theatrical release with associated marketing & promotion, prints & advertising costs of a foreign children's and youth film and also arthouse film that has been selected for at least one film festival appearing on the list of *International Film Festivals* set out in the Fund's Financial & Production Protocol.

- Evaluation criteria -

Article 23

A *project subsidy* application for the purchase (*minimum guarantee*) of a foreign children's and youth film as referred to in Article 22 is evaluated on the basis of the release report of a children's and youth film released in Dutch cinemas and/or film theatres by the applicant in the last four years. The film production concerned, with a minimum length of 60 minutes (an exception can be made here for toddler and preschool children's films), must have been selected for one or more leading international film festivals appearing on the list of *International Film Festivals* set out in the Fund's Financial & Production Protocol (www.filmfonds.nl).

- Obligations -

Article 24

1. The film production must be purchased within six months of the granting of subsidy and have a national theatrical release in film theatres within 12 months of the granting of subsidy;
2. No contribution for the film production may have previously been granted under the Distribution Sub-Regulations;
3. The date of theatrical release of the new film production must be submitted to the Fund for approval, with the aim, in part on the advice of the NFO and taking account of the specific target group, of a spread of the children's and youth films in the film theatres across the different school holidays;
4. The cross-media marketing & distribution plan must be submitted to the Fund for approval not later than six weeks before the theatrical release;
5. At least 50% of the budgeted costs of *marketing, prints & advertising* must be demonstrably funded by the applicant;
6. In the first four weeks of the theatrical release a minimum of 60% of the theatres in which the film production is released must be a film theatre.

- Grounds for refusal -

Article 25

In addition to Article 14 of the General Regulations, an application for a financial contribution as referred to in Article 22 will be rejected if the film distributor in question has in the same calendar year already been considered for two project subsidies under the cinema release of a foreign children's and youth film in the Netherlands.

§ 3. Special distribution

- Subsidisable activity -

Article 26

Subsidy may be granted for special innovative distribution activities to reinforce the marketing & promotion and distribution of Dutch arthouse films and documentaries and for foreign arthouse films aimed at young people and children in particular and a strengthening of a diverse distribution and screening climate in the Netherlands in general. Activities with a sustainable impact will be prioritised.

§ 4. Screening contribution for film theatres (pilot programme 2019-2020)

- Subsidisable activity -

Article 27

The board can provide a film theatre located in the Netherlands as referred to in Article 5, paragraph 6, on the basis of paying viewers of Dutch feature films or documentaries in the film theatre concerned recorded in the previous calendar year, with a contribution the film theatre can use to facilitate the screening of new majority Dutch film productions. The board will announce an application round and the associated conditions on the Fund's website: www.filmfonds.nl.

- Requirements -

Article 28

1. The board will in any event attach the following conditions to an application for a film theatre screening contribution:
 - a. The film production(s) for which an application is submitted is or are Dutch feature films or documentaries viewed by paying viewers;
 - b. The film theatre concerned is considered a Large Film Theatre by the Netherlands Cinema and Film Theatre Association and/or is affiliated to Europa Cinemas.
2. The number of paying viewers referred to in Article 27 is determined by the board on the basis of the current Maccs Box registration system that Dutch cinemas, film theatres and film distributors use for theatrical releases.

- Grounds for refusal -

Article 29

In addition to Article 14 of the General Regulations, an application for a financial contribution as referred to in Article 27 will be rejected if:

- a. the film production is one for which no contribution has been granted under the Realisation Sub-Regulations;
- b. the film production is a minority co-production.

FINAL PROVISIONS

Article 30

1. The board shall decide in all cases not provided for by this regulation.
2. The board may for important reasons deviate from this regulation, where such deviations are compatible with the assessment framework for state support to the film sector, as used by the European Commission.
3. Changes to the regulation, which were adopted by the board with the approval of the Board of Trustees on 18 February 2019, were implemented as of 1 March 2019.
4. This regulation comes into force with effect from 1 March 2019.
5. The Distribution Sub-Regulations, applicable from 1 February 2018, are withdrawn as of 1 March 2019.
6. The Sub-Regulations as applicable up to 1 March 2019 remain applicable to all applications received by the Fund before 1 March 2019.

7. This regulation is cited as Distribution Sub-Regulations of the Netherlands Film Fund Foundation.
8. This regulation is published by an announcement in the Staatscourant (Dutch Government Gazette) and on the website of the Netherlands Film Fund (www.filmfonds.nl).

NOTES

Distribution is understood to mean the professional (cinema) release and exploitation of film productions. The regulation describes in the general part among other things the methods, procedures, requirements and obligations of the applicant that apply for all subsidies for distribution. The second part lays down the special provisions for each specific film production for which a distribution contribution can be requested. The provisions of the general part apply in full to these film productions.

Article 1 (Definitions)

For an *arthouse film* the emphasis lies on the artistic potential of the film production, which is understood to mean that the end result will be of such a special quality that the film production will be well received nationally and/or internationally on this basis and there is a credible chance that the film production will be selected for international festivals and/or prizes and for international sale.

A *cross-media marketing and distribution plan* is understood to mean a plan drawn up by the film distributor and producer together which describes how the film production will be marketed, and how different forms of marketing & promotion, advertising, communication, social media and distribution are used for this to reach the public. The requirement to submit a cross-media plan with an application as referred to in Article 9, second paragraph, is in line with the obligation associated with this award that the film distributor achieves the optimum possible release in cinemas and/or film theatres as well as the optimum possible non-theatrical release. The film distributor must include in the cross-media marketing and distribution plan not only a distribution in the cinema or the film theatre (theatrical release), but also other forms of screening and exploitation in the plan (non-theatrical release, such as a classic DVD release, exploitation via digital platforms, closed circuits (in-flight entertainment, hotel networks, etc), Pay TV and the various 'on demand' applications) form part of the non-theatrical release.

The Fund understands by the definition of *cinema release* a thorough and national distribution of a film production that after the première is released for a significant number of weeks and in a significant number of cinemas and/or film theatres for a paying audience. In the case where a contribution for a film production is granted under the Realisation Sub-Regulations, the extent of the release must be in line with the approved exploitation objective in the application. If the distribution strategy for a specific film production departs from a (regular) cinema release, as in the case for example of a sensitive artistic film or documentary with limited commercial potential, this must be presented to the Fund in advance for assessment. An example of a non-standard distribution strategy could be an event release with an outreach campaign or a tour release in film theatres across the country. The non-standard distribution strategy must convince the Fund and the board decides whether non-standard agreements are possible on a case-by-case basis.

The first broadcast is the first public screening of the film production.

Article 5 (Applicant)

In principle the film distributor is the applicant, in any event for feature films and documentaries aiming at a national public reach and a regular cinema release. The film distributor must employ specialist staff who have demonstrable film distribution experience. Agreements on a different division of tasks can in theory be made between distribution company and production company, such as the producer has first line responsibility for marketing and promotion. A different division of tasks must be discussed with the Fund. The condition is that in this case the producer has his own specialist staff available and engages a film marketing agency for the marketing and promotion.

If the applicant is a member of the same group of companies as the producer or the production company or they are associated with each other in any other way, then the natural person responsible for the day-to-day management and performance of the marketing and distribution activities must have independent authority to sign.

Where a film production requires a very specific release aimed at a smaller target group and the producer has demonstrably not found a film distributor willing to release the film production in a different way, the board decides on a case-by-case basis whether non-standard agreements are possible. If a producer wishes to release the film production through his own production company, this

must be discussed with the Fund in advance and a good substantiation regarding theatrical and non-theatrical release must be submitted and the film production must be released in collaboration with an experienced film marketing or publicity agency.

Article 6 (Application)

Contributions made by public funds or institutions in or outside the Netherlands, similar to the Netherlands Film Fund, are not regarded as an investment by the film distributor.

Article 7 (Subsidy form)

The board attaches further conditions to the subsidy for distribution. In the order among other things it will be laid down whether, and if so, when, the applicant must pay back the contribution from the Fund. If no repayment is required, the subsidy contribution will lower the cost price in relation to the total costs that are part of any agreements on the distribution of revenue from exploitation.

Article 10 (Distribution in the Netherlands / assessment criterion)

For the subsidy to be granted, the opinion of the board regarding the cross-media marketing and distribution plan must be positive.

Article 13 (International festival selection / subsidisable activity)

Only costs for the producer in connection with selection of films at leading international festivals appearing on the list of *international film festivals* in the applicable Financial & Production Protocol published on www.filmfonds.nl are eligible. The costs that are eligible for a contribution are limited to a contribution to the travel and accommodation costs incurred by the producer, including the flight or train journey and associated overnight costs abroad. The applicant shall inform the Fund of the selection by the festival in question before the festival commences.

Article 15 (International distribution / subsidisable activity)

For a Dutch feature film or a majority Dutch documentary that is selected for a leading international film festival a financial contribution may be requested for release in cinemas abroad, and/or the dubbing of Dutch children's and youth films for further exploitation abroad. The assumption here is that the Fund contributes no more than the maximum percentage of the costs of dubbing and/or *prints & advertising* abroad in the Financial & Production Protocol. The Fund's contribution is determined in the light of the statement, delivery of the bills (in English) by the foreign distributor and in case of foreign cinema release, the evidence of distribution. That evidence of distribution is provided by stating box office figures and viewer numbers. The regular costs for finishing and making the M&E tracks are not eligible for a contribution.

Article 18 (Cinema release of a foreign arthouse film in the Netherlands/subsidisable activity)

If the financial contribution of the Fund exceeds the costs of the minimum guarantee the film distributor must spend any remaining funds on the costs of marketing & promotion of the film productions purchased.

Articles 19 and 20 (Cinema release of a foreign arthouse film in the Netherlands/subsidy ceiling and assessment method)

The board determines the subsidy ceiling relating to the financial contributions that are made for the purchase and release of foreign arthouse films. The applications are evaluated for example in the light of the criteria and the points system in the Annex. A decisive factor in the award is the substantiation of the motivation and corporate vision of the applicant, through for example a convincing business plan in which the composition of the slate is covered in addition to the point system. The criteria on which the points system in the Annex is based are international festival selection, minority co-production, the country of origin and the director's track record.

The number of cinema visitors of the different projects submitted in the application is only included in the final evaluation if several applications achieve the same number of points in the points system. To determine the viewer results in the Netherlands, the Fund uses the number of cinema visitors per film title as registered in Maccs Box or a comparable recognised industry registration system.

Article 22 (Cinema release of a foreign children's and youth film in the Netherlands)

Dutch film distributors can apply for a distribution contribution for the release of new, quality foreign children's and youth films in the Netherlands on the basis of foreign children's and youth films previously released. This is a time-limited pilot. The Fund will evaluate whether and under what conditions this form of subsidy will continue before this time comes to an end.

Article 27 (Screening contribution)

Film theatres located in the Netherlands can apply for a contribution they can use to facilitate the screening of new selectively supported majority Dutch film productions on the basis of paying viewers of Dutch feature films or documentaries in the film theatre concerned recorded in the previous calendar year. The Fund uses Maccs Box to determine the viewer numbers of the films concerned of the previous calendar year. This is a time-limited pilot. The Fund will evaluate whether and under what conditions this form of subsidy will continue before this time comes to an end.

Annex Points system for foreign arthouse film in the Netherlands

In the context of the evaluation of the application, eight foreign arthouse films previously released by the applicant but not released before 1 January 2016 will also be considered. Only film productions with a maximum production budget of €5 million that have been selected for a film festival and that have gone out in a maximum of 25 premiere theatres will be included in the evaluation. In order to be eligible for slate funding, the applicant should achieve a minimum of 22 points. Each film should score a minimum of two points in sections A to D:

A. Screening at festivals

Selection for one or more leading international festivals, as included in the list *international film festivals* set out in the Fund's Financial and Production Protocol (www.filmfonds.nl) is mandatory.

- | | |
|--|----------|
| 1. Selection for the main competition at Cannes, Berlin or Venice | 2 points |
| 2. Selection (for one of the programmes) at one of the other festivals | 1 point |

B. Minority co-production

The film production is supported as a minority Dutch co-production with a contribution on the basis of the Fund's Realisation Sub-Regulations.	1 point
--	---------

C. The country of origin

- | | |
|--|----------|
| 1. England, France, Italy, Spain, Germany, United States | 0 points |
| 2. Austria, Belgium, Denmark, Greece, Norway, Poland, Portugal, Sweden, Canada, Australia, Russia, Turkey, Ireland | 1 point |
| 3. Bulgaria, Cyprus, Czech Republic, Estonia, Finland, Hungary, Iceland, Romania, Lithuania, Luxemburg, Malta, Slovakia, Slovenia and all the other European countries not listed that do not form part of the EU. | 2 points |
| 4. Countries from Asia, Africa, Latin-America | 3 points |

D. The director's track record

- | | |
|--|----------|
| 1. international first-time directors (first or second film) | 2 points |
| 2. for the Netherlands first-time directors (first or second film) | 1 points |
| 3. recognised directors with an international track record | 0 points |

The five distributors achieving most points are eligible for slate funding. Where the same number of points has been achieved on the basis of different applications, the ranking is determined by the viewer numbers achieved per title of the eight titles given, with the following breakdown:

- | | |
|------------------|----------|
| > 3,000 viewers | 1 point |
| > 5,000 viewers | 2 points |
| > 7,500 viewers | 3 points |
| > 10,000 viewers | 4 points |
| > 12,500 viewers | 5 points |

Notes Points system for foreign arthouse film in the Netherlands

Both the Creative Europe programme and the Fund set a budget limit of €5 million.

A. Screening at festivals / B. Minority co-production

If the arthouse film is selected for one of the leading international festivals, points will be awarded for this, including if the film production in question is supported by the Fund as a minority co-production.

C. The country of origin

The contribution of the Fund is intended in particular for arthouse films that come from the smaller European countries and Third World countries. The country of origin means the country of the main producer. For this reason, in the points system these countries, such as the new European Member States, Asiatic, African and Latin-American countries are granted a higher number of points than arthouse films that come from Western Europe and America.

It has been decided to take over the Creative Europe classification for European countries; Third World countries are added to these.

D. The director's track record

These are in particular directors who are first-timers or have made a second arthouse film. The encouragement of young talent is important and directors who have already made a name themselves generally have better prospects. The latter are not excluded but are valued lower in a points system.