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## DEVELOPMENT - SLATE FUNDING 16/2007

The current document provides a resume of the principal contractual stages relating to the Agreement signed between your company and the Education, Audiovisual & Culture Executive Agency following your response to the Calls for Proposals 16/2007. This document is strictly informative and is of no legal value whatsoever.

### **I) Identification of the projects and the payment of the grant**

The Agency has allocated to you a global contribution of between 70,000€ and 190,000€, (the amount is stated in Article I.3.3 of the Agreement), which must be used for the development of at least three projects. The minimum allocated to a project of the slate is 10,000€ and the maximum is up to 60,000€ (for animation feature films aimed at theatrical release, the maximum is up to 80,000€).

#### I.1) Identification of projects

The details relating to each submitted and accepted project (name, type) are contained in Annex I of your Slate Funding Agreement. The MEDIA grant must be used only for these projects.

#### I.2) Payment of the grant

The MEDIA grant will be paid in two instalments:

- a pre-financing payment equivalent to 70% of the global contribution is paid automatically upon the signing of the Slate Funding Agreement
- a final payment (balance) equivalent to a maximum of 30% of the global contribution is paid following the acceptance of a "Final Report".

### **II) Development costs: Eligibility Period and Budget Variations**

#### a) Eligibility Period for costs under Item 1 "Rights" of the budget:

The period of eligibility of costs begins 12 months before the date of reception of your submission. It ends at the latest 24 months after the date of signing of the Agreement. If the project enters into production during the 24 months the period of eligibility ends on the date of entry into production (1<sup>st</sup> day of principal photography or equivalent). Costs invoiced after the entry into production are therefore ineligible.

Attention: Costs which are the subject of an agreement (writer's contract, adaptation agreement etc) signed before the 12 months preceding the reception of your submission will not be considered. If the agreement in question is dated more than 12 months before the date, only the costs invoiced during the eligible period can be taken into consideration.

#### b) Eligibility Period for costs under Item 2 "Development Department Salaries" and Item 3 "Other Costs" of the budget:

The period of eligibility of costs commences from the date of the reception of your submission, which is mentioned in Article I.2.2 of your Agreement. It ends no later than 24 months after the date of signing the Agreement. If a project enters into production before the end of the 26 month time limit, the period of eligible costs ends on the date the project enters into production (1<sup>st</sup> day of principal photography or equivalent).

If for an exceptional reason, duly justified, you require an extension to the eligibility period you must formally submit a request for an extension (six months maximum) to the Agency before the end of the foreseen contractual eligibility period.

c) Budget Variations:

Article I.3.4 of your Agreement stipulates that the provisional budget annexed to it may be adjusted provided that any adjustments do not affect the implementation of the project and do not exceed the total eligible costs.

If the amount of one or other of the three principal budget items (headings) varies by an amount superior to 10% of the provisional budget you must obtain the Agency's prior approval and provide a justification. Your request for an adjustment must be made no later than one month before the expenditure relating to the adjustment is incurred.

The budget is structured in four levels: heading (1), sub-heading (1.1), item (1.1.1), sub item (1.1.1.1). To avoid rejection of expenses when submitting the final report, we would draw your attention to the following rules:

1. Heading: the number of headings cannot be changed after the signature of the contract, even through an amendment.

1.1. Sub-heading: It is possible to use unforeseen sub-headings with the prior agreement of the Agency through an amendment to the Agreement.

1.1.1. Item: It is possible to use unforeseen items through a simple prior written approval by the Agency.

1.1.1.1. Sub-item: It is possible to use unforeseen sub-items without prior Agency approval on condition that the sum of the new sub-items is not superior to the total of the existing specific sub-items, already mentioned in the eligible estimated budget.

### **III) Final Report**

The final payment can only be made after the submission and acceptance of the Final Report. This report must be submitted no later than 25 months after the signing of the Agreement, which is, at the latest, one month after the end of the period of eligible costs. **We would draw your attention to the fact that all requests for amendments must be made no later than two months before the end of the period of eligibility of costs.**

The report shall:

- present the state of advancement of each project
- show how the MEDIA support has been used
- calculate the definitive global amount of MEDIA support

The report contains the following elements for each of the projects:

- any new contracts concerning the author(s) of the project or the purchasing/acquisitions of the rights to the project
- an update on the development of the project and progress in securing funding ("Final Implementation Report form"), indicating notably the date of entry into production of a project

- accounts showing the costs met during the eligible period as defined in Article I.2.2 of the Agreement accompanied by the accountant's certification slip. Both documents must be signed by the person who signed the Slate Funding Agreement on behalf of your company and by an independent chartered accountant

- the final or most recent version of the script (or equivalent: treatment, design document, pilot), showing the development work that has taken place since the submission of your application for Slate Funding support. This document must carry the wording "Developed with the support of the MEDIA Programme of the European Community" and bear the MEDIA logo. You can download a logo from our site: [http://ec.europa.eu/information\\_society/media/overview/who/logos/index\\_en.htm](http://ec.europa.eu/information_society/media/overview/who/logos/index_en.htm)

This report equally comprises of a consolidated budget report showing the eligible costs incurred for all of the projects. The accounts must be signed by the person who signed the Agreement on behalf of the company and an independent chartered accountant.

The Agency reserves the right to demand the submission of any other documents judged necessary for the evaluation of the development of each project.

The MEDIA contribution cannot exceed, for each project, 50% of the certified eligible costs.

In accordance with the terms of Article II.17 of the Agreement, the final MEDIA contribution will be limited to the amount mentioned in Article I.3.3 of the Agreement.

In addition the final MEDIA contribution shall be limited to the amount obtained in applying the percentage of support shown in Article I.3.3 of the final eligible costs; as a consequence, if the final amount of eligible expenditure is less than the provisional amount, the Agency will reduce the amount of the foreseen final payment, or demand the partial or total repayment of the pre-financing.

#### **IV) Closure of the Agreement**

The acceptance of the Final Report on development shall lead to the closure of the Agreement. In all cases the Agency reserves the right to request an audit into the use of the MEDIA support, during a period of 5 years following the date of the final payment of support (Article II.19 of the Agreement).

#### **V) Correspondence**

All correspondence should be sent to the following address:

Education, Audiovisual & Culture Executive Agency  
MEDIA Programme Development – Unit P8  
BOUR 3/29  
Avenue du Bourget, 1  
B – 1140 Brussels

In order to allow us to deal with your dossier in the most efficient way, we would ask that you keep the Agency fully informed of all changes relating to details contained within your Agreement: legal status and address (legal and/or mailing) of your company, change of the legal representative, changes to the specific bank account. These changes must be the subject of a formal modification to your Agreement.

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