



**DANISH
FILM INSTITUTE**

**THE DANISH
FILM INSTITUTE'S
GENERAL
TERMS AND
CONDITIONS**

Valid from 1 September 2022

Adopted by the Board of the Danish Film Institute on
21 June 2022 on the basis of the EU Commission's formal
approval of the funding scheme on 14 February 2018.

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Film funding

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These terms are an English translation of the Danish Film Institute's 'Filminstituttets almindelige vilkår', which at any time and in any matter concerning the funding applied for and/or granted takes precedence over the English translation and therefore applies to any legal relationship established under the funding terms.

With the exception of the Games Scheme (Spilordningen) and the Public Service Fund, the Danish Film Institute's general terms and conditions apply to all the Danish Film Institute's funding schemes unless they have been derogated from in the special terms for the individual funding schemes.

The funding beneficiary is obliged to incorporate these terms and conditions as appendices to all contracts and agreements regarding the project which concern matters governed by these terms and conditions, or which may otherwise be of significance to the Danish Film Institute's rights under the terms and conditions.

1. Application requirements

1.1 Nationality affiliation requirements

1.1.1 Film production

To be eligible for funding from the Danish Film Institute, the following conditions must be met:

- The applicant must be a producer based in Denmark, in an EU or EEA Member State or in Switzerland as of the application date and in accordance with the existing legislation and must have documented film production experience. Furthermore, film production must be the applicant's main activity.
- The applicant must be an independent producer. An independent producer is a producer that is not majority controlled by a TV station or a VOD service, either in terms of ownership or in business terms, see clause 11.6, second paragraph. For co-productions with a foreign main producer and a Danish co-producer (minor films), it is also a condition that the requirements in clause 1.3.3 have been met.
- The applicant is legally represented by a producer who can demonstrate to be qualified for or have documented film production experience.
- As of the date of the Danish Film Institute's granting of funding, the applying producer must conduct business through Denmark via the establishment of a fixed place of business or equivalent in Denmark under the applicable legislation.

1.1.1.2

Where a screenplay writer or director applies for development funding solely for the writing of a screenplay, the following conditions must have been met:

- Regardless of nationality and ethnic origin, the applicant must reside or stay permanently in Denmark or otherwise have a corresponding important and significant affiliation to and importance for Danish cinematography or film culture.

1.1.2 Other funding

1.1.2.1

When applying for funding in accordance with the Danish Institute's *'Terms for funding for arthouse films'* of 15 August 2020, the applicant must be a film distributor or a distribution

company that has documented film distribution experience in Denmark. Furthermore, film distribution must be the applicant's main activity, and the applicant must meet the nationality affiliation requirements in clause 1.1.1 above.

1.1.2.2

When applying for funding under the Danish Film Institute's *'Terms for funding for Danish cinemas'* of 15 August 2020, the applicant must be a cinema with its registered office in Denmark and geographically located in Denmark.

1.1.2.3

When applying for funding under the Danish Film Institute's *'Terms for funding for Danish film festivals'* of 15 August 2020, the applicant must, at the time at which funding is granted by the Danish Film Institute, conduct business activities in Denmark through the establishment of a fixed place of business or equivalent in accordance with existing Danish legislation. It is also a requirement that the festival be held in Denmark.

1.1.2.4

When applying for funding under the Danish Film Institute's *'Terms for international promotion'* of 1 September 2022, the applicant must meet the nationality affiliation requirements set out in clause 1.1.1, however, so that funding can be applied for by and be granted to other stakeholders than the producer of the film such as sales agents, Danish embassies and international film festivals with which the Danish Film Institute collaborates.

1.1.2.5

When applying for funding under the Danish Film Institute's *'Terms for film promotion'* of 15 January 2021, the applicant must be an enterprise, organisation, association, etc. which meets the nationality affiliation requirements set out in clause 1.1.1 as of the application date.

If the applicant is a natural person, the applicant must have a permanent place of residence or stay permanently in Denmark, in an EU or EEA Member State or in Switzerland and must have an important and significant attachment to Danish cinematography or film culture at the time of the Danish Film Institute's granting of funding.

1.1.2.6

When applying for funding under the Danish Film Institute's *'Terms for funding for dissemination of film for children and young people'* of 15 August 2021, the applicant must be a legal person and must, at the time of the Danish Film Institute's granting of funding, normally be based in Denmark or carry on business activities through Denmark via the establishment of a fixed place of business or equivalent in Denmark in accordance with the existing legislation.

1.1.2.7

For applications for funding for distribution initiatives in accordance with the Danish Film Institute's *'Terms for funding for documentaries and short fiction projects'* of 15 January 2021, clause 1.1.1 of these terms and conditions may be derogated from so that funding can be applied for by Danish enterprises, associations, clubs, institutions and organisations.

1.2 Artistic and cultural affiliation requirements

1.2.1 Film production

To be eligible for funding from the Danish Film Institute, a film production must provide a particular artistic and/or technical contribution to the promotion of cinematography and film culture in Denmark.

To meet this requirement, the film production must be recorded in Danish or in a Danish version, and/or the main creative forces and/or technical functions of the film production, must, regardless of nationality and ethnic origin, reside or stay permanently in Denmark, or otherwise have a material and significant affiliation to and/or importance for Danish cinematography or film culture.

1.2.2 Other funding

1.2.2.1

To be eligible for funding from the Danish Film Institute, the project must provide a particular artistic and/or technical contribution to the promotion of cinematography and film culture in Denmark.

In order to meet this requirement, the project must have an important and significant connection with and importance to Danish cinematography and/or film culture.

1.2.2.2

For applications for funding under the Danish Film Institute's *'Terms for funding for dissemination of films for children and young people'* of 15 January 2021, the activity or initiative must provide a special artistic, cultural and/or work contribution to the promotion of cinematographic and film cultural dissemination and/or film and media knowledge for children and young people in Denmark or otherwise have an important and significant connection with and/or importance to cinematographic and film cultural dissemination and/or film and media knowledge for children and young people.

1.3 Film production – funding for Danish participation in co-productions with a foreign main producer (minor films)

1.3.1

Under the Minor Co-production Scheme, see clause 3.4 of *'Terms for funding for documentaries and short fiction productions'* of 15 January 2021 and clause 3.5 of *'Terms for funding for feature films'* of 15 August 2020, the Danish Film Institute may grant production funding for Danish participation in co-productions with a foreign main producer (minor films).

1.3.2

To be eligible for production funding under the Minor Co-production Scheme, it is normally a condition that the film production meets the criteria set out in the European Convention on Cinematographic Co-production or the revised Convention on Cinematographic Co-production) or in the international co-production agreements and conventions entered into between Denmark and the country or countries with which the Danish producer collaborates on the co-production.

It is also a condition for an application for production funding under the Minor Co-production Scheme that the Danish minor co-producer holds minimum the distribution rights to the film production in Denmark in accordance with the co-production agreement with the foreign main producer.

1.3.3

When applying for funding for a minor film production, the foreign main producer and the Danish minor co-producer must be separate, independent legal persons in any and all respects with separate and independent financial and/or personal interests.

1.4 Danish spend requirements

When production funding is granted for film production under these terms and conditions, it is normally a requirement that, in artistic, creative, technical and/or production terms, a share of the production costs equal to the Danish Film Institute's total production funding for the film must be spent in Denmark, i.e. the Danish Film Institute requires a Danish spend of 100 per cent.

However, there is no requirement for the Danish spend to constitute more than 50% of the production budget. However, for minor films, this restriction does not apply to the Danish share of the total budgeted production costs (Danish spend) for the film.

2. Application for funding

2.1

When applying for funding, the application form and procedure for the funding scheme from which funding is applied for must be used. The application must contain the documents, information and appendices etc. which are set out in the terms and conditions as well as the rules laid down for the funding scheme in question.

2.2

The Danish Film Institute may refuse to process funding applications if the Danish Film Institute's assessment is that the project for which funding is applied is not covered by the purpose of the funding scheme from which funding is applied for and/or the necessary and essential prerequisites for the realisation of the project are not met or present.

2.3

To be eligible for funding, it is a requirement that the Danish Film Institute assesses that, in financial, technical, experience and/or qualifications terms, the necessary prerequisites are present for the realisation of the project for which funding is applied for.

2.4

The assessment of applications as well as prioritisation and allocation of funds are done on the basis of the funding criteria laid down by the Danish Film Institute for the individual funding schemes.

2.5

Under all funding schemes, any application will be assessed in relation to the other field of applications and on the basis of an overall prioritisation of the funds available for the funding scheme.

2.6

The funding applicant warrants that personal data for identifiable persons, for example screenplay writer, director, film crew, actors and other contributors et al., who form part of the funding application and the subsequent realisation of the project may lawfully be shared with the Danish Film Institute as well as all other parties to the project and be included in the Danish Film Institute's processing of the funding application and all other matters concerning the project. The funding applicant's responsibility for this applies indefinitely from the submission of the funding application.

3. Budget and financing plan

3.1

Funding from the Danish Film Institute is granted on the basis of a budget and financing plan approved by the Danish Film Institute.

For funding applications for subsidies for operating costs, the budget must be submitted no later than two months before the beginning of the financial year, see the Danish Film Institute's auditing instructions for subsidies for operating costs in force at any given time.

3.2

In the budget, all costs must be stated at market prices in DKK.

In relation to the approved budget under the support decision, the Danish Film Institute does not normally approve continuously updated budgets.

3.3

The Danish Film Institute does not usually grant funding for already paid expenses and implemented activities.

To be included in the budget, all expenses defrayed prior to the application date must be separately approved by the Danish Film Institute.

For minor films, however, the Danish Film Institute may, in special cases, approve that the budget contains pre-production expenses paid by the Danish co-producer of the film.

3.4

If the project has previously received funding from the Danish Film Institute, the total approved costs, in accordance with the accounts approved by the Danish Film Institute for each of the previously granted funding amount(s), must be stated in (a) separate budget item(s).

3.5 Supplementary funding

3.5.1

Project funding – administrative expenses and contingency:

The Danish Film Institute may approve that administrative expenses of maximum 10% of the budget are added to the budget. The Danish Film Institute normally does not approve that expenses for cover of a contingency are added to the budget.

3.5.2 Film projects

3.5.2.1 Development funding for films

Contingency:

For other film projects than feature film projects, the Danish Film Institute may approve that the development budget contains a contingency. Any contingency must not exceed 10% of the budgeted development costs exclusive of costs for screenplay writing and research as well as administrative expenses.

Administrative expenses:

Administrative expenses of maximum 7% for feature film projects and 10% for other film projects, including all film projects supported by the New Danish Screen talent development scheme, of the budgeted development costs, exclusive costs for research and any contingency, may be included in the development budget.

3.5.2.2 Production funding for films

Contingency:

The contingency must constitute minimum 5% and maximum 10% of the budgeted production costs, excluding costs for screenplay writing, project development, administration, completion guarantee, any intermediate funding and collecting agent. For documentaries and short fiction, this is also exclusive of costs for producer overhead.

For minor films, the budget may contain a budgetary contingency, which must constitute maximum 10% of the Danish co-producer's share of the budgeted production costs, excluding administrative expenses, costs of completion guarantee, any intermediate funding and collecting agent. For documentaries and short fiction, this is also exclusive of costs for producer overhead.

Administrative expenses:

Administrative expenses must constitute maximum 7% for feature films and 10% for other productions, including all New Danish Screen projects, of the budget, excluding costs for project development, completion guarantee, intermediate funding and collecting agent as well as contingency. For documentaries and short fiction, this is also exclusive of costs for producer overhead.

For minor films, the calculation of administrative expenses, see above, is made on the basis of the Danish producer's share of the budgeted production costs (Danish spend).

Producer overhead:

For films which have been granted production funding in accordance with 'Terms for funding for documentaries and short fiction projects', the budget may include a producer overhead which must not exceed 5% of the budgeted production costs, exclusive of costs for project development, administration, contingency and any completion guarantee.

3.5.2.3 Producer's fee

The size of the producer's fee must be approved by the Danish Film Institute, taking into due account the nature and scope of each production.

For New Danish Screen productions, the producer's fee must normally not exceed the director's fee.

3.5.3 Operational funding – administrative expenses

In exceptional cases, the Danish Film Institute may approve that the budget includes cover of administrative expenses, which must not exceed 5% of the approved budget.

3.6 Financing plan

3.6.1

It is a condition for receiving funding from the Danish Film Institute that the financing plan contains a separate specification of the amounts which are included in the financing of the project and the distribution thereof between the financial participants in the financing of the project, including information about other funding applied for and/or granted from other sources.

3.6.2

For films, all financing agreements and co-production agreements, including the producer's own investment in the film, must be submitted to the Danish Film Institute. Financing and co-production agreements must show how the financing of the film and the rights to the film are distributed between co-producers, investors and the Danish producer.

4. Support decision

4.1

The Danish Film Institute will notify the funding beneficiary of the granting of funding in a letter of support.

4.2

A letter of support cannot be drawn up until the funding beneficiary has documented that the budget, including any contingency, has been fully funded.

4.3

If an application is submitted for development funding for adaptation of a work protected by copyright, the applicant must document prior to the support decision that the applicant holds the necessary rights to the work.

4.4

A support decision does not entail a commitment to subsequent funding of the further course of the project.

4.5 Support decision for supplementary development funding for film projects

4.5.1

If the funding beneficiary receives more than one development funding grant for the same film project, a final decision to supplementary development funding for the film project normally cannot be drawn up until development accounts have been submitted to and approved by the Danish Film Institute, see clauses 14 and 15, for the previous development funding.

4.5.2

However, the Danish Film Institute may make an exemption from the requirement in clauses 14 and 15 for the submission of audited development accounts for each development funding grant prior to the allocation of subsequent development funding grants.

4.5.3

If the Danish Film Institute makes an exemption in accordance with the above, the funding beneficiary must submit audited accounts for each development project in accordance with clauses 14 and 15 concurrently and no later than three months of the conclusion or the scheduled time for the conclusion of the development project that has most recently been granted development funding.

4.6 Support decision for production funding for film projects

4.6.1

Production funding normally cannot be granted for film projects until accounts have been submitted for any development funding granted to the film project, see clauses 14 and 15.

4.6.2

In connection with the Management's reservation of production funding for a period in a Letter of Commitment (LOC), see clause 5.1, the Danish Film Institute may make an exemption to the requirement that accounts must be submitted for the development project before the film project can be granted production funding if the Danish Film Institute assesses that this is necessary for the realisation of the film project.

4.6.3

The LOC may not be converted into production funding until the conditions in the LOC have been fully met and audited accounts have been submitted for the development project, see clauses 14 and 15.

5. Letter of Commitment (LOC) and Letter of Interest (LOI)

5.1 Letter of Commitment (LOC)

5.1.1

In connection with the Management's grant of funding, the Danish Film Institute may reserve the funding for a period in a Letter of Commitment (LOC). A letter of support may not be drawn up until all conditions laid down in the LOC have been met.

5.1.2

If the conditions laid down in the LOC are not met within the deadline stipulated in the LOC, the reserved funding will lapse.

5.1.3

The LOC may be extended on the basis of a written request from the applicant.

5.2 Letter of Interest (LOI)

5.2.1

The Danish Film Institute may draw up a Letter of Interest (LOI) without an actual funding amount which shows an interest in a project, but which does not mean that the project will necessarily receive funding.

5.2.2

In an LOI, the Danish Film Institute may specify an estimated amount for the funding which the Danish Film Institute assesses that it will recommend to the Management if the Danish Film Institute subsequently decides to recommend the project for funding.

6. Disbursement in instalments

6.1

Granted production funding will be paid to the funding beneficiary in instalments, the size of which is determined by the Danish Film Institute in the letter of support.

Minimum 20% of the granted funding will be distributed on instalments, and disbursement thereof will be conditional on the submissions that the funding beneficiary is obliged to make under these terms and conditions for funding, see clauses 14, 15 and 19, the Danish Film Institute's support decision and other terms applicable to the funding granted.

6.2

Granted funding of less than DKK 100,000, allocated in accordance with the Danish Film Institute's '*Terms for international promotion*' of 1 September 2022 will be disbursed after the Danish Film Institute has received and approved the accounts for the project supported with funding.

Granted funding of DKK 100,000 and more will be disbursed in minimum two instalments. The first instalment is disbursed after the Danish Film Institute has received a signed letter of support from the funding beneficiary. The second instalment is disbursed after the Danish Film Institute has received and approved accounts for the project supported with funding.

6.3

In case of significant changes to time schedule, production plan etc., the Danish Film Institute reserves the right to change the disbursement dates and the size of the instalments as well as the terms for their disbursement stated in the letter of support.

7. Supplementary production funding and funding for production extension

7.1 Supplementary production funding

7.1.1

In exceptional cases, the Danish Film Institute may grant supplementary production funding to films which have received production funding from the Danish Film Institute.

A condition for granting supplementary production funding for a film project is that the grant is necessary to ensure the completion of the film.

The funding may normally only be granted if the full budgetary contingency has been used.

7.1.2

Applications for supplementary funding must be submitted on the same terms as applications for production funding.

Furthermore, when applying for supplementary funding, the applicant must submit a cost report to the Danish Film Institute.

7.1.3

It is not possible to apply for supplementary funding to cover administrative expenses and producer overhead, and the budget normally cannot include a budgetary contingency.

7.2 Funding for extension of film production

7.2.1

In exceptional cases, the Danish Film Institute may grant further production funding for extension of film projects which have already received production funding from the Danish Film Institute.

7.2.2

The granting of production funding for extensions of a film project is subject to the condition that this concerns a significant extension of the format or that the film project will be released on a new platform.

Funding can only be granted for audiovisual formats, such as serial formats, digital games, VR works or other formats that extend the cinematic universe to new formats or media.

7.2.3

Production stages regarding extensions may take place concurrently with other funding stages of the film project.

7.2.4

An application for production funding for extensions must be submitted in accordance with the same application procedure as for an application for production funding for the film project. The Danish Film Institute may require the submission of supplementary material in connection with an application for funding for extension of the production.

8. Statement of total funding

8.1

The statement of the total funding granted by the Danish Film Institute for a project includes all granted funding amounts, including previously granted funding.

This applies regardless of whether funding has been granted under other funding schemes of the Danish Film Institute and/or whether the funding beneficiary differs from the beneficiary of previously granted funding.

9. Other conditions for receiving funding

9.1

The director of the film and the producer responsible for the financing must not be the same person unless, due to the nature of the film project, the Danish Film Institute can specifically approve that these positions are held by the same person.

9.2

It is not possible to apply for funding for a project under several of the Danish Film Institute's funding schemes concurrently.

9.3

A condition for receiving funding is that all rights concerning the individual project are fully disclosed and that the funding beneficiary holds, or may acquire, without restrictions, all rights to the project that are necessary for the realisation and distribution of the completed project as well as the funding beneficiary's and the Danish Film Institute's exercising of rights to the project in accordance with these terms and conditions, the Danish Film Institute's support decision as well as other agreements and terms applicable to the project.

9.4

A funding beneficiary is obliged to comply with the legislation applicable to the project supported with funding at any given time.

10. Documentation, notification etc.

10.1

The applicant/funding beneficiary is bound by the terms and conditions and any derogation must be agreed in writing with the Danish Film Institute. The Danish Film Institute will respond to requests from the applicant/funding beneficiary in this respect within a reasonable period of time.

10.2

The Danish Film Institute may require that the applicant/funding beneficiary must submit the documentation, statements, information, details and reports of any kind and nature necessary for processing the application, including documentation that the applicant/funding beneficiary possesses or may acquire rights as set out in these terms and conditions.

10.3

The funding beneficiary must continuously notify the Danish Film Institute about the course of the project and about significant changes to the project, including changes to the time schedule, changes to the economic and financial conditions of the project, changes to the rights to the project or in the screenplay for a film project, replacement of key participants in the project, replacement of contributors and/or actors et al in a film project, change of the completion date of the project, the Danish premiere date of a film project and other significant matters regarding the launch, marketing and distribution etc. of the film or the project.

10.4

In case of any change in the time schedule and/or financing plan, the funding beneficiary must immediately send the amended time schedule and/or financing plan to the Danish Film Institute for its information.

For feature films, the amended repayment plan must also be submitted to the Danish Film Institute for its information.

10.5

The Danish Film Institute's receipt of the amended time schedule and/or new financing plan, and repayment plan for feature films, will not entail approval of any deviations from anything previously approved by the Danish Film Institute regarding the same matter or of other matters in the revised documents.

10.6

In relation to a specific project, the Danish Film Institute may supplement and/or amend these terms and conditions and the Danish Film Institute's terms for the individual funding schemes in order to ensure and/or meet the intentions of the funding schemes and/or the feasibility of the project.

11. Funding calculation basis

11.1

The Danish Film Institute's funding percentage is stated based on the approved production budget.

The Danish Film Institute's funding percentage is calculated as the share that the Danish Film Institute's total funding constitutes of the total costs for the project, stated on the basis of the budget approved by the Danish Film Institute in accordance with the Danish Film Institute's support decision.

11.2

For minor films, the Danish Film Institute's funding percentage is calculated as the share that the Danish Film Institute's funding constitutes of the Danish producer's total costs for the film project (Danish spend), stated on the basis of the production budget approved by the Danish Film Institute in accordance with the Danish Film Institute's support decision.

11.3

The Danish Film Institute's allocation of funding is done on the basis of an estimate which includes all of the criteria applied to the recommendation of the individual application, including,

but not limited to, the production-related and financial assessment of the project and the assessment of target audience and distribution potential.

11.4

In principle, the Danish Film Institute's funding intensity is limited to 50% of the production budget.

When calculating the funding amount for the specific film production, the Danish Film Institute may derogate from the limitation of funding intensity if the Danish Film Institute finds that the film is to be regarded as a difficult work. Difficult works are productions shot in Danish in the original version and/or short films, documentaries, talent development films, films by first-time and second-time directors, low-budget films and other commercially difficult films.

11.5

Cumulation of funding from the Danish Film Institute with other funding and financing for the same project must not result in the total funding intensity exceeding 100%.

Regarding minor films, cumulation of funding from the Danish Film Institute with other funding and financing for the Danish producer's share of the overall project must not result in the overall funding intensity of the Danish producer's share exceeding 100%.

11.6

If the co-producer or investor is majority-controlled by a TV station/VOD service, the investment cannot be included in the private investment.

Majority control occurs when more than 25% of the production company is owned by a single TV station/VOD service (50% if multiple TV stations/VOD services are included in the ownership), or when more than 90% of the production company's revenues over a three-year period come from production agreements with a single TV station/VOD service. Considering the small size of the Danish market, the Danish Film Institute may make an exemption from the established revenue limit following an application for this.

11.7

Any form of funding granted by the Danish Film Institute for a project is and must remain the unrestricted and exclusive property of the funding beneficiary, at any and all times and in any respect, and cannot be regarded as revenue for the project in any context. It is therefore a mandatory requirement that the funding is used exclusively by the funding beneficiary to cover the costs connected with the project and approved by the Danish Film Institute and in accordance with the rules and terms laid down by the Danish Film Institute for the granted funding.

This condition is mandatory and is also applicable to third parties and third-party agreements. Consequently, agreements or contracts cannot be entered into which lay down terms or conditions which have the intended or unintended, direct or indirect, legal effect or consequence that results in a change of this condition, of the terms laid down for the granted funding or of the disbursement or calculation of the granted funding.

12. Security

The funding beneficiary is obliged to complete the film and/or project. The Danish Film Institute may require that a completion guarantee be taken out with a guarantee company recognised by the Danish Film Institute.

13. Reporting and evaluation

13.1

Funding granted under all the Danish Film Institute's funding schemes is subject to the condition that the funding beneficiary participates in and contributes to reporting and evaluation to the extent requested by the Danish Film Institute.

In addition, the below terms apply.

13.2 Film projects

13.2.1

The Danish Film Institute has the right to follow the production of the film on an ongoing basis, including viewing clips in reasonable time before the final version of the film.

13.2.2

During the production, the producer must submit status reports to the Danish Film Institute with summarising information about significant matters relating to the course of the production and concerning the distribution and launch of the film project for the Danish Film Institute's information.

For feature films, the status reports must be submitted midway through the shooting period, when shooting has been completed as well as once during the post-production period, unless otherwise agreed with the Danish Film Institute.

For documentaries and short fiction projects, status reports must be submitted during the production of the film. The dates will be agreed in connection with proposed production funding.

13.3 Operational funding

13.3.1 Art cinema funding

The funding beneficiary must submit an evaluation of the operation of the art cinema no later than six months after the conclusion of the accounts for which the Danish Film Institute has granted a subsidy for operating costs.

The Danish Film Institute's form must be used for the preparation of the evaluation.

14. Accounts

14.1 Project accounts

14.1.1

The funding beneficiary is responsible for the completion of the purpose supported by the funding and must submit accounts for projects that have received funding for the Danish Film Institute's approval, see the Danish Film Institute's auditing instructions applicable at any given time.

14.1.2 Deadlines for submission of project accounts

14.1.2.1 Projects

The funding beneficiary must submit accounts for approval by the Danish Film Institute no later than three months after the completion of the project in accordance with the approved time schedule.

14.1.2.2 Development accounts for film projects

The funding beneficiary must submit accounts for approval by the Danish Film Institute no later than three months after the Danish Film Institute has received the development result.

For funding of maximum DKK 100,000, which has been granted solely for screenplay writing or development by a single person, the screenplay contract or other equivalent written documentation will constitute the funding beneficiary's presentation of accounts for the project and the funding beneficiary's report.

14.1.2.3 Production accounts for film projects

Feature films:

The funding beneficiary must submit the production accounts for the film to the Danish Film Institute for approval no later than three months after the commercial world premiere of the film.

Minor films:

The production accounts are audited for the Danish share of the production costs and must be submitted together with the total production accounts for the film, which must contain an overview of the final financing of the film, distributed on countries.

Documentaries and short fiction projects:

The funding beneficiary must submit the production accounts for the film to the Danish Film Institute for approval no later than three months after the allocation of the penultimate instalment.

14.1.2.4 Launch accounts for film projects

Feature films:

The funding beneficiary is obliged to submit launch accounts to the Danish Film Institute for approval no later than three months after the Danish cinema premiere of the film.

The funding beneficiary is obliged to submit launch accounts to the Danish Film Institute for approval no later than three months after the Danish premiere of the film on home entertainment/other distribution windows.

Documentaries and short fiction projects:

The funding beneficiary is obliged to submit launch accounts for documentaries and short fiction projects to the Danish Film Institute for approval no later than six months after the Danish premiere of the film.

14.1.3

For projects which have been granted funding under the Danish Film Institute's '*Terms for international promotion*' of 1 September 2022, the granted funding will be revoked without notice if the Danish Film Institute has not received accounts for the project within six months after the completion of the project in accordance with the approved time schedule.

The revocation of the granted funding entails that any disbursed funding must be repaid immediately and that non-disbursed instalments will lapse.

14.1.4

The accounts must include a specification of the defrayed costs and of revenues that has limited the costs, including, but not limited to, for example, sales of props in connection with film production, and, for example, box office revenues etc. in connection with other projects than film projects.

The accounts must contain a balance sheet and a final financing overview and, for feature films, also a repayment overview showing the Danish Film Institute's ranking in the order of priority in relation to a share of the revenues. In addition, the accounts must include a separate specification of all amounts included in the financing of the project, including funding from foundations, government subsidies, pre-sales and minimum guarantees etc.

14.1.5

The accounts must include the same budget items as the budget approved by the Danish Film Institute, and the budget figures in the approved budget must be stated for the sake of comparison.

14.1.6

The accounts cannot include costs defrayed prior to the application date that were not included in the budget approved as of the support decision date.

14.1.7

The accounts must comprise a report on deviations from the principal items of the approved budget that differ by more than 10%, but not on deviations below DKK 5,000. The DKK 5,000 rule may be deviated from for small budgets. If the overall approved budget is overrun, the final accounts must in all circumstances include a report on the overrun.

14.1.8

The Danish Film Institute does not normally approve overruns of the administrative expenses specified in the approved budget or of director's and producer's fees for film projects.

14.1.9

The Danish Film Institute may approve that internal salaries are included in the final accounts, including overruns on the budget approved by the Danish Film Institute, if defrayal of the costs for the internal salaries has been necessary, relevant to and directly attributable to the project,

the internal salaries have been continuously registered in a documentation system, and the auditor can approve these matters.

With the exception of expenses for auditor's fee for auditing of the accounts in question, all salaries and fees related to the project and all public taxes and duties must have been paid before the submission of the accounts, and the funding beneficiary must be able to document on request that payment has been made.

14.1.10 Cost savings

14.1.10.1 Project accounts

Costs savings in the project accounts relative to the approved budget must be repaid to the Danish Film Institute with the same share by which the Danish Film Institute has granted funding.

Exempt from this are any unused contingency and unused administrative expenses, provided that the administrative expenses in the approved budget have been calculated as supplementary amounts in accordance with clause 3.5 of these terms and conditions.

The project accounts can only be finally approved so that the last instalment is disbursed once the Danish Film Institute's share of the costs savings has been repaid.

14.1.10.2 Project accounts – Feature films

Cost savings in the production accounts, including the total unused contingency, are transferred to the film as revenue in the revenue statement.

14.1.10.2.1 Project accounts – Feature films with foreign main producer (minor films)

For minor films where the Danish co-producer holds the exclusive exploitation rights to the film in the Danish territory and has a share of the exploitation rights in the rest of the world (ROW excluding the foreign main producer and any other co-producers' exclusive rights), the cost savings on the Danish share of the production costs (Danish spend) relative to the production budget approved by the Danish Film Institute must be booked as revenue.

Budget overruns on the total production budget for the minor film approved by the Danish Film Institute are transferred as an expense item for the film in the revenue statement of the film and are repaid in advance to the producer with an outlay in the revenues of the film in accordance with the repayment plan for the film.

14.1.10.3

For projects that have received funding under the Danish Film Institute's *'Terms for international promotion'* of 1 September 2022, cost savings in the project accounts relative to the approved budget must be repaid to the Film Institute with the same share by which the Danish Film Institute has granted funding.

14.1.11 Excess financing

If the funding beneficiary obtains financing which entails that the total financing of the film/project exceeds the production or project costs in accordance with the final production or project accounts, the Danish Film Institute's funding will be reduced by an equivalent amount repayable to the Danish Film Institute.

For minor films, the above only applies to the Danish share.

Revenues from sales of rights to the film/project that have accrued before the submission of the accounts must be included in the financing of the film/project.

14.2 Profit and loss accounts

14.2.1

The funding beneficiary is responsible for the completion of the purpose supported with funding and must submit accounts for the financial year for which the Danish Film Institute has granted a subsidy for operating costs for the Danish Film Institute's approval, see the Danish Film Institute's auditing instructions applicable at any given time.

14.2.2 Deadlines for submission of profit and loss accounts

The funding beneficiary must submit the presented annual accounts to the Danish Film Institute for approval no later than six months after the end of the financial year for which the Danish Film Institute has granted a subsidy for operating costs.

15. Auditing

15.1 Regulatory basis for auditing

The accounts must be audited in accordance with generally accepted auditing practices, see section 3 of the Danish Act on Auditing of Government Accounts etc. (*Lov om revision af statens regnskaber mm.*), and the auditing, including of assets, liabilities, revenues, expenses and rights agreements, must at least meet the requirements in the Danish Film Institute's applicable auditing instructions at any given time.

15.2 Auditing of project accounts

For funding exceeding DKK 100,000, the accounts must be audited by a registered public accountant or a state-authorized public accountant.

15.3 Auditing of profit and loss accounts

For an annual subsidy for operating costs of up to and including DKK 200,000, the funding beneficiary must present accounts and submit a solemn declaration in accordance with the Danish Film Institute's auditing instructions for subsidies for operating costs applicable at any given time.

For an annual subsidy for operating costs of more than DKK 200,000, the funding beneficiary must present audited accounts in accordance with the Danish Film Institute's auditing instructions for subsidies for operating costs applicable at any given time.

15.4

Rigsrevisionen (the Danish Auditor General's Office) and the Danish Film Institute always have access to review the accounts submitted by the funding beneficiary, as well as the vouchers and all other accounting records and documents that form the basis for the funding beneficiary's preparation of the submitted accounts, including as part of test checks.

15.5

The funding beneficiary is obliged to retain all vouchers as well as all accounting records and all documents that form the basis of the funding beneficiary's preparation of the submitted accounts for a period of five years after the Danish Film Institute's approval of the production accounts for the film.

For projects that have not received production funding, the storage obligation in accordance with the above is five years calculated from the Danish Film Institute's approval of the latest presented accounts for the funding granted.

16. Revenues

16.1 Information about revenues

16.1.1

For statistical use, the Danish Film Institute may request the producer to provide a statement of the revenues generated by the film. On the Danish Film Institute's demand, the producer must submit the statement within 14 days of the date on which the request was sent.

16.1.2

In the revenue statement, revenues must be stated separately for distribution in Danish cinemas, video rentals and sales, VOD, streaming, sales to TV stations and other revenues and must contain specified numbers of admissions and turnover figures for the cinema window, home entertainment and other distribution windows.

The basis of the revenue statement is the revenues generated by the film in all countries and in all media.

16.1.3 Information about revenues, sales and turnover applicable to feature films

16.1.3.1 Feature films

Funding from the Danish Film Institute is subject to the condition that the film's Danish major and minor producer or anyone who may subsequently acquire the producer rights to the film as well as the distributor(s), sales agent(s), co-producer(s), and all other parties who receive revenues of the film, in which the Danish major and minor producer has shares, must provide specified information to the Danish Film Institute about the revenues, sales and turnover of the film in Denmark and the rest of the world.

The information must, as a minimum, be specified in relation to the individual territories and exploitation windows and at the same time in a degree of detail that allows a direct reading of the gross revenues in the distribution or sales agent section as well as any deductions that may be made for distribution and sales agent remuneration and costs for launch and marketing.

The Danish Film Institute has the right to obtain, use and store the information for a number of purposes, including the following:

- Statistical purposes.
- Creation of a database in which the information is collected in aggregated and anonymised form together with other corresponding information.
- Statement of the revenues generated by the film for the purpose of repayment, see '*The Danish Film Institute's general terms and conditions*', clauses 16.2 to 16.4.

The Danish Film Institute may itself be in charge of the collection, processing and/or storage of the information or entrust the collection, processing and/or storage of the information with third parties on behalf of the Danish Film Institute.

If information about the film's revenues, sales and turnover as described in these terms and conditions has been accessed by a collecting agent approved by the Danish Film Institute, the Danish Film Institute has the right at any time to request that the information be handed over to the Danish Film Institute from the collecting agent.

It is a requirement that the Danish Film Institute's access to the disclosure of information as described in these terms and conditions is ensured in the contracts, into which the film's Danish major and minor producer or anyone who may subsequently acquire the producer rights to the film, enters with the film's distributor(s), sales agent(s), co-producer(s), and all other parties who receive revenues of the film, in which the Danish major and minor producer has shares, as well as in the agreement with the collecting agent, so that it appears from the terms of the contract that these parties are obliged to hand over information to the Danish Film Institute as described in these terms.

16.1.3.2 All other productions than feature films

For all film productions other than feature films, the film's Danish major and minor producer or anyone who may subsequently acquire the producer rights to the film must meet the requirements in section 16.1.3.1, so that the Danish Film Institute can, on request, demand the submission of specified information to the Danish Film Institute about the film's revenues, sales and turnover in Denmark and the rest of the world as described in section 16.1.3.1.

The film's Danish major and minor producer or anyone who may subsequently acquire the producer rights to the film is therefore obliged to ensure that the Danish Film Institute's access to information is secured in the contracts, into which the film's Danish major and minor producer or anyone who may subsequently acquire the producer rights to the film, enters with the film's distributor(s), sales agent(s), co-producer(s), and all other parties that receive revenues of the film, in which the Danish major and minor producer has shares, as well as in the agreement with the collecting agent, so that it appears from the terms of the contract that these parties are obliged to hand over information to the Danish Film Institute as described in section 16.1.3.1.

16.2 Feature film revenues

16.2.1

in the revenue statements for feature films which form the basis for repayment, revenues must be stated separately for distribution in Danish cinemas, video rentals and sales, VOD, streaming, sales to TV stations and other revenues.

The basis of the revenue statement is the revenues generated by the film in all countries and in all media.

Launch funding from the Danish Film Institute must be included in the revenue statement as revenue together with other public funding for launch activities.

Revenues included in the financing of the film in accordance with the approved production accounts, including minimum guarantees, presales etc., are not included in the statement of the revenues generated by the film.

16.2.2

Funding granted for feature films is repayable in accordance with clauses 16.2 to 16.4 of these terms and conditions.

Feature films mean standalone fiction productions of a minimum duration of 75 minutes.

For feature films that have received production funding, the funding beneficiary is obliged to submit a revenue statement, see clause 16.1.2, to the Danish Film Institute, prepared on the basis of clauses 16.2 to 16.4 of these terms and conditions.

16.2.3

All expenses and costs connected with the launch, marketing, sales and distribution of the film must be approved by the Danish Film Institute in order to be deductible in the revenue statement.

16.2.4

Agreements on the assignment of rights in a geographically delimited territory, which includes the right to receive all revenues generated from the exercise of the assigned rights in the territory concerned (outright sales), must be approved in connection with the Danish Film Institute's approval of the financing of the film.

16.2.5

The Danish Film Institute may, at any given time, demand full access to the producer's distribution and sales agreements and to such agreements in subsequent levels of distribution as well as any other agreements regarding the film.

16.2.6

Both during and after the production, the Danish Film Institute has a right of full access to all payments and may demand that all payments regarding the film be made via a collecting agent approved by the Danish Film Institute.

16.2.7

Unless otherwise stipulated in the terms and conditions, the revenues are stated in accordance with clauses 16.2.9 and 16.3 based on the Costs Off Top (COT) principle, which means: Distribution and launch costs are to be deducted from the revenues generated from the exploitation of the film before calculation of costs for distribution remuneration.

Costs On Producer (COP) means:

Distribution and launch costs are to be deducted from the revenues generated from the exploitation of the film after calculation of costs for distribution remuneration.

16.2.8

The revenues of the film are calculated as follows:

Cinema distribution:

Revenues from Danish and other Nordic cinema distribution are calculated as invoiced revenues (film rentals) deducted documented costs for distribution remuneration as well as distribution and launch costs.

Home entertainment:

Revenues from video rentals and sales (DVD, Blu-ray etc.) and revenues from VOD distribution (TVOD, SVOD, EST etc.) in Denmark and in the Nordic countries are calculated as the invoiced revenues (from the retail level of distribution) less documented costs for distribution remuneration and distribution and launch costs.

TV sales in Denmark:

Revenues from TV sales in Denmark are calculated as the sales price less documented directly incurred sales costs.

Other revenues:

Revenues from other foreign distribution (ROW) as well as from sales to and distribution in all other media domestically and abroad than those mentioned are calculated as the sales price less documented directly incurred sales and distribution costs.

All other net revenues, for example in the form of sales of secondary rights to the film, including merchandising, remake, sequel and sales of soundtrack, as well as the producer's share of revenues from I/S Danske Filmproducenter's points settlement, are included in the statement of the revenues generated by the film, but are set off before repayment is to be made.

Secondary remuneration received in accordance with sections 13, 17, 30a, 35-46a of the Danish Copyright Act (*Ophavsretsloven*) and agreements covered by section 50(2) and corresponding foreign or international rules or any such rules which may subsequently supplement or change these provisions are not included in the statement of the revenues generated by the film.

Revenues included in the financing of the film in accordance with the approved production accounts, including minimum guarantees, presales etc., are included in the statement of the revenues generated by the film, but are set off before repayment is to be made.

16.2.9

The producer or a collecting agent approved for the purpose by the Danish Film Institute will submit revenue statements of the gross and net revenues and expenses for the film in forms approved by the Danish Film Institute.

The revenue statements must have been received by the Danish Film Institute no later than 45 days after the end of each statement period.

The first statement period for the revenue statements is of six months from the commercial world premiere of the film, calculated from the end of the quarter in which the film has had its world premiere. The revenues are subsequently stated once a year.

16.2.10

Revenue statements must be audited by a registered public accountant or a state-authorized public accountant. The Danish Film Institute may make an exemption from this requirement if the producer has transferred responsibility for the statement and distribution of the revenues generated by the film to a collecting agent approved by the Danish Film Institute and if the collecting agent in question has assumed responsibility for submitting annual revenue statements etc. to the Danish Film Institute in accordance with these terms and conditions.

16.3 Distribution terms for feature films

16.3.1

The Danish Film Institute's distribution terms are applicable to the statement of the revenues generated by the film with a view to determining when repayment of production funding must be made to the Danish Film Institute in accordance with clause 16.4.

16.3.2

The Danish Film Institute's terms for distribution remuneration are not applicable to minor films in those cases in which an agreement on Danish art cinema distribution has been entered into. Art cinema distribution means distribution to cinemas which can be approved by the Danish Film Institute as art cinemas in accordance with clause 3 of the Danish Film Institute's 'Terms for funding for Danish art cinemas'.

16.3.3

The producer is obliged to enter into distribution agreements for the film which ensure the film of the widest possible potential exploitation and distribution in all media.

16.3.4 Distribution remuneration for cinema distribution and home entertainment

16.3.4.1 Minimum remuneration

Provided that the distributor has entered into an agreement with the producer on distribution of the film in both the cinema and home entertainment windows, the distributor is at least guaranteed a minimum remuneration of up to DKK 150,000 of the film rentals (the revenues that the film generates in the cinema window).

The minimum remuneration is a prepayment of the distributor's remuneration in accordance with clause 16.3.4.2 below.

The minimum remuneration is paid to the distributor in advance, after deduction of distribution and launch costs, until the minimum remuneration has been covered.

The minimum remuneration is subsequently set off against the distributor's distribution remuneration in accordance with clause 16.3.4.2 until the minimum remuneration has been covered by the distributor's shares of the film rentals.

16.3.4.2 Cinema distribution

Danish cinema distribution:

If a minimum guarantee has been included in the financing of the film, the distribution remuneration for agreements on Danish cinema distribution must not exceed 30% until the minimum guarantee has been fully repaid.

The distribution remuneration must subsequently not exceed 15%.

If the financing of the film does not contain a minimum guarantee, the distribution remuneration must not exceed 15%.

Nordic cinema distribution outside Denmark:

If a minimum guarantee has been included in the financing of the film, the distribution remuneration for agreements on Nordic cinema distribution outside Denmark must normally not exceed 30% until the minimum guarantee has been fully repaid.

The distribution remuneration must subsequently normally not exceed 15%.

If the financing of the film does not contain a minimum guarantee, the distribution remuneration must normally not exceed 15%.

16.3.4.3 Home entertainment

If a minimum guarantee has been included in the financing of the film, the distribution remuneration for agreements on distribution on video (DVD, Blu-ray etc.) and for agreements on VOD distribution (TVOD, SVOD, EST etc.) in Denmark and the Nordic countries must not exceed 30% until the minimum guarantee has been fully repaid.

The distribution remuneration must subsequently not exceed 15%.

If the financing of the film does not contain a minimum guarantee, the distribution remuneration must not exceed 15%.

16.3.4.4 Minimum guarantee

The minimum guarantee includes the revenues from both the cinema window and the home entertainment window.

If a minimum guarantee has been contributed which comprises the revenues from both the cinema window and the home entertainment window, the minimum guarantee is covered by the revenues generated by the film in the cinema window and the revenues generated by the film in the home entertainment window.

The minimum guarantee only includes the revenues from the cinema window:

If a minimum guarantee has been contributed which only comprises the revenues from the cinema window, the minimum guarantee is covered by the revenues generated by the film from distribution in the cinema window.

The minimum guarantee only includes the revenues from the home entertainment window, incl. TV:

If the minimum guarantee only covers the revenues from the home entertainment window, incl. TV, the minimum guarantee is covered by the revenues generated by the film from distribution in the home entertainment window, incl. TV.

16.3.5

In connection with agreements on the sale of TV screening rights in Denmark, including agreements on TV rights agreements in Denmark which include a minimum guarantee, a deduction may be made from the revenues of the documented directly defrayed sales costs, which may, however, not exceed 30% of the gross sales price.

No deduction can be made for sales costs in agreements on presales that are included in the financing as well as sales costs in agreements on presales entered into prior to the Danish Film Institute's approval of the final production accounts which contain the final financing for the film.

16.3.6

In connection with agreements on sales of rights to other foreign distribution (ROW) as well as sales and distribution in all other media domestically and abroad, the Danish producer can deduct documented directly incurred sales and distribution costs. In addition, documented directly incurred remuneration to the sales agent is deductible, however, by maximum 30% after deduction of documented directly incurred sales and distribution costs (COP).

However, the Danish Film Institute may approve special terms for sales to marginal markets.

16.4 Repayment applicable to feature films

16.4.1

Revenues included in the financing of the film in accordance with the approved production accounts, including minimum guarantees, presales etc., are set off against the revenues generated by the film before production funding is to be repaid.

Revenues covered by a minimum guarantee are included in the revenue statement from the time at which the revenues relating to the minimum guarantee exceed the minimum guarantee.

16.4.2

Repayment of production funding granted by the Danish Film Institute begins when the private investment, with addition of the total value of the Nordic minimum guarantee, which is included in the financing overview approved by the Danish Film Institute for the film, has been recouped and yielded 75%, but so that the producer must, as a minimum, have achieved a net revenue of DKK 1,000,000 in accordance with these terms and conditions.

16.4.3

Private investment means the producer's, co-producers' and other investors' investment in the film, made with a view to yielding a rate of return.

All other minimum guarantees than the Nordic guarantee, any presales, contributions from foundations or other film institutes cannot be added to the private investment to yield a rate of return.

The size of the private investment and the overall Nordic minimum guarantee are stated on the basis of the approved production accounts with accompanying final financing overview.

16.4.4

Regional film foundations and other financing sources that make demands for repayment must have their repayment terms approved by the Danish Film Institute.

The Danish Film Institute can normally accept that contributions from foundations are repaid in accordance with the statutes of the foundations, and the Danish Film Institute normally also respects customary agreements on royalties.

Repayment to foundations, including other Danish film foundations than FilmFyn, Nordisk Film & TV Fond and Eurimages, as well as settlement of royalties are included in the revenue statement as defrayed costs.

16.4.5

The repayable amount consist of the repayment percentage multiplied by revenues in accordance with the revenue statement after the private investment plus the Nordic minimum guarantee has been recouped and yielded at 75% and/or the producer has, as a minimum, earned net revenue of DKK 1,000,000 .

The repayment percentage is calculated as the share that the Danish Film Institute's funding constitutes of the total financing of the film, stated on the basis of the production budget approved by the Danish Film Institute in accordance with the Danish Film Institute's production support decision, unless otherwise agreed in writing by the Danish Film Institute.

For Danish co-productions (major films), where rights to foreign revenues have been assigned to co-producers or other investors in the film, the repayment percentage corresponds to the Danish Film Institute's share of the total financing that concerns the Danish producer's rights area.

For minor films, the repayment percentage corresponds to the Danish share of the total financing of the film.

16.4.6 New Danish Screen

For feature films which have been granted production funding from the New Danish Screen talent development scheme, the repayment percentage has been fixed at 50%.

16.4.7

The repayment obligation ceases when the Danish Film Institute's funding has been repaid, however, not later than five years after the world premiere of the film. Upon receipt of the initial revenue statement, the Danish Film Institute may waive its claim for repayment and receipt of further revenue statements.

If the repayment obligation ceases, or the Danish Film Institute waives its claim for repayment, the Danish Film Institute will write off the repayable funding that the Danish Film Institute has granted to the film.

The Danish Film Institute's write-off of the repayable funding does not entail any termination or restrictions of the Danish Film Institute's and the funding beneficiary's other rights or obligations in accordance with funding terms, support decision etc. regarding the film and the rules on the Danish Film Institute's funding for the film applicable at any given time.

17. Breach

17.1

If a funding beneficiary abandons or, for other reasons, prematurely discontinues a project supported with funding and the funding beneficiary is not in breach of the funding terms as well as of other terms laid down for the granted funding, any funding that has not been used must be repaid immediately and any non-disbursed funding instalments will lapse.

17.2

The Danish Film Institute's support decision will lapse and any disbursed funding must be reimbursed by the funding beneficiary in the event of any breach of the funding terms and/or other agreements, or if it is ascertained that the film cannot be legally screened and/or the project cannot be legally shown/published in Denmark.

17.3

In accordance with clauses 17.1 and 17.2, the funding beneficiary must submit auditor-certified accounts to the Danish Film Institute for the costs defrayed for the project which meet the requirements of these terms and conditions and the Danish Film Institute's auditing instructions applicable at any given time.

Furthermore, the Danish Film Institute may require that the funding beneficiary must provide other documentation necessary for the Danish Film Institute to assess whether the funding

amounts have been used in accordance with the rules and also that the funding beneficiary must submit an evaluation and/or status report for the project, records etc.

17.4

The Danish Film Institute may waive its repayment claim in accordance with clause 17.2 if the Danish Film Institute finds that there are special circumstances or if the repayment claim would be contrary to the object of Danish Film Institute's activities in accordance with the rules applicable at any given time.

17.5

The Danish Film Institute may refuse to grant funding if the Danish Film Institute has an unpaid receivable from the applicant or from a funding beneficiary controlled by the applicant, or from a funding beneficiary which controls the applicant.

The Danish Film Institute may also refuse to grant funding if the applicant, or a funding beneficiary controlled by the applicant, or a funding beneficiary which controls the applicant, is in material breach of the funding terms concerning another project.

If the party in breach of the funding terms is a legal person, and another legal person applies to the Danish Film Institute for funding, and where the management or ownership is, or has been, the same natural person or legal person as the management and/or ownership of the company in breach, the Danish Film Institute may, based on a specific assessment, refuse to grant funding to the applying company.

18. Assignment of rights to the project

18.1

In connection with any transfer of projects which have received funding, the transfer must be approved in writing by the Danish Film Institute in order to be valid. The Danish Film Institute may refuse and/or make special requirements for the transfer if the transfer entails a risk that the Danish Film Institute cannot exercise its rights under the applicable funding terms and other agreements with the producer, if the Danish Film Institute finds that the transfer will entail a risk that the project cannot be realised or that it will involve other significant changes to the prerequisites and terms etc. that form the basis of the Danish Film Institute's granting of funding for the project.

18.2

The transferor of the project must submit auditor-certified accounts to the Danish Film Institute for the costs defrayed for the project which meet the requirements of these terms and conditions and the Danish Film Institute's auditing instructions applicable at any given time.

Furthermore, the Danish Film Institute may require that the funding beneficiary must provide other documentation necessary for the Danish Film Institute to assess whether the funding amounts have been used in accordance with the rules and, moreover, that the funding beneficiary must submit an evaluation and/or status report for the project, records etc.

18.3

Any assignment of rights to projects is subject to the requirement that the Danish Film Institute is not placed in a poorer position than what follows from these terms and conditions, support decisions and other agreements with the funding beneficiary.

19. Submission of material

19.1

Films which have received production funding, launch funding and/or versioning funding must submit material to the Danish Film Institute in accordance with clauses 19.2 to 19.7 below.

For production-funded films, the Danish Film Institute will acquire rights to the submitted material as further described in clause 21 of these terms and conditions.

19.2

The material must be submitted prior to the disbursement of the instalment of the granted funding as fixed in the support decision, see clause 6.1.

19.3

The producer is obliged to make ISAN registration of the finished film and must submit the ISAN number and archival material regarding the film to the Danish Film Institute's Film and Stills & Posters Archives in accordance with the Danish Act on Legal Deposit of Public Material (*Pligtafleveringsloven*) in force at any given time, Executive Order on Legal Deposit of Public Material (*Bekendtgørelse om pligtaflevering af offentliggjort materiale*) and the material submission list applicable to the funding scheme in question at any given time.

It is a requirement that films which have a cinema premiere in Denmark are delivered with Danish subtitles.

19.4

For use in the Danish Film Institute's PR, publication, distribution and festival activities, the producer must submit material regarding the film in accordance with the applicable material submission list for the funding scheme in question on the submission date.

19.5

The technical quality of the submitted material must be approved by the Danish Film Institute.

19.6

The submission in accordance with these terms and conditions must be made free of charge and may be included in the production budget for production-funded films.

19.7

The Danish Film Institute has a right, without restrictions, to make copies of the film and any other material submitted for the performance of the Danish Film Institute's storage obligations and film cultural activities as well as the exercise of the Danish Film Institute's rights under these terms and conditions.

20. Other conditions

20.1

Filed screenplays (final draft) will be kept in the Danish Film Institute's library, where they can be viewed by the public. At the request of the screenplay writer, the Danish Film Institute may decide that the screenplay is not to be accessible to the public if there are weighty reasons for this.

20.2

The producer and director of the film must be available in connection with the Danish Film Institute's launch and marketing of the film by further agreement with the Danish Film Institute and with due consideration for their other commitments, planned holidays and the like.

21. The Danish Film Institute's rights

21.1 The Danish Film Institute's distribution rights to feature films

Feature films mean standalone fiction productions of a minimum duration of 75 minutes, see clause 16.2.2 of these terms and conditions.

Taking into account the commercial exploitation of the production-funded film and provided that the funding beneficiary does not exercise these rights, the Danish Film Institute will have a non-exclusive right to distribute the film in Denmark for public showing in any way and on any known and future platform and medium, by screenings, by streaming and by making the film available to schools, institutions, associations, film clubs, museums, libraries and other non-commercial organisations in such a way that they have access to the film at an individually chosen place and time.

The Danish Film Institute is entitled to public showing of the film for a paying audience in accordance with the above.

The Danish Film Institute is entitled to exercise the above rights when 36 months have passed after the commercial world premiere of the film.

21.2 The Danish Film Institute's rights to other productions than feature films

21.2.1 The Danish Film Institute's distribution rights for schools, institutions, associations, film clubs, museums, libraries and other non-commercial enterprises

Taking into account the commercial exploitation of the production-funded film, the Danish Film Institute will have a non-exclusive right:

- to distribute the film in any way and on any media, including, but not limited to, DVD, Blu-ray etc., and all other known and future analogue, digital and interactive media and formats to schools, institutions, associations, film clubs, museums, libraries and other non-commercial enterprises in Denmark, Greenland, the Faroe Islands and the Danish minority in Southern Schleswig.
- to public showing of the film in any way, and on any known and future platform and media by screenings, by streaming and by making the film available to schools, institutions, associations, film clubs, museums, libraries and other non-commercial

enterprises and their students, users and members in such a way that they have access to the film at an individually chosen time and place.

21.2.2

The film must be submitted to the Danish Film Institute no later than one month before the Danish premiere of the film, so that the Danish Film Institute can exercise the acquired distribution rights to the film in accordance with clause 21.2.1 from and including the time of the Danish TV premiere of the film or other Danish premiere if the film does not have a Danish TV premiere.

The Danish premiere of the film means the first time that the film is shown publicly in Denmark, for example on TV, in cinemas, on the Internet or at another public showing, or is distributed to the public in a way that gives a Danish audience access to the film, for example on DVD. The Danish Film Institute does not regard a screening at a Danish film festival as the Danish premiere of the film in this context unless the funding beneficiary accepts this.

If the film is only premiered at a Danish festival or does not receive a Danish premiere in accordance with the above, the Danish Film Institute may exercise the distribution rights to the film acquired under clause 21.2.1 12 months after the completion of the film.

21.2.3

The Danish Film Institute may refrain from exercising its non-exclusive rights to public showing of the film by streaming to libraries and their users in such a way that they have access to the film at an individually chosen time and place in accordance with clause 21.2.1, second paragraph, and leave the exercise of these distribution rights to the producer of the film, subject to the conditions and terms laid down in the Danish Film Institute's *Guidelines on the Danish Film Institute's waiving of the exercise of distribution rights to short and documentary films to libraries* of 15 January 2021.

21.2.4 Distribution to individual persons

The funding beneficiary and the Danish Film Institute may enter into an agreement that the Danish Film Institute will acquire a non-exclusive right to distribute the film to individual persons in Denmark, Greenland, the Faroe Islands and the Danish minority in Southern Schleswig on any known and future platform by streaming and by making the film available in such a way that the individual persons have access to the film at an individually chosen place and time.

21.3 Festival rights

The Danish Film Institute is the holder of the rights to screening at Danish and international festivals of films with a Danish major producer which have been granted production funding from one of the Danish Film Institute's funding schemes.

For films which are selected for the Danish Film Institute's festival distribution and which are not production-funded by the Danish Film Institute, the Danish Film Institute holds the rights to screening at Danish and international festivals during the period in which the films are included in the Danish Film Institute's festival distribution.

The Danish Film Institute has the right to distribute festival copies produced with funding from the Danish Film Institute in any way and on any media, all known and future analogue, digital and interactive media and formats, and by using links to the festival copy of the film to the extent that this is necessary for the selection, participation and launch etc. of the film at international festivals in accordance with these terms and conditions.

21.4

Festival copies made with funding from the Danish Film Institute are the property of the Danish Film Institute.

The Danish Film Institute has the right, continuously and without prior notification or notice to the rights holders of the film, to discard and scrap festival copies kept in the Danish Film Institute's festival archives.

The Danish Film Institute has the right, without restrictions, to make copies of the films and festival copies.

21.5

In addition, the Danish Film Institute has the right to show films which have been granted production funding from the Danish Film Institute in Denmark and abroad as part of the Danish Film Institute's film cultural activities, including to a paying audience.

If the film continues to be screened in cinemas in the same geographical area as the Danish Film Institute, the film may only be screened at individual special events. In such case, the Danish Film Institute will notify the producer of its screenings.

For screenings to a paying audience, the Danish Film Institute is obliged to follow the market price if the film is in commercial distribution.

21.6

The Danish Film Institute has the right to use trailers, teasers, film posters, film quotations, stills and other picture material, including framegrabs, dialogue sequences and clips of the title tune and of the film, for the promotion of funded film productions in Denmark and abroad as well as in connection with the exercise of the Danish Film Institute's rights in accordance with these terms and conditions (as well as special terms for the individual funding schemes) and as part of the Danish Film Institute's film cultural activities, see the applicable Danish Film Act (*Filmloven*), the Statutes of the Danish Film Institute and the Film Agreement. Furthermore, the Danish Film Institute has the right to use the material with due crediting in Danish Film Institute's publications, including on video formats (DVD, Blu-ray etc.) and on the Internet on all platforms as well as in festival and press contexts. All pictures must be submitted to the Danish Film Institute with crediting of the still photographer and specifying the director, screenplay writer and producer.

21.7

The Danish Film Institute has the right to publish all information about the film in connection with the Danish Film Institute's information and press work, unless otherwise has been agreed in writing with the funding beneficiary or follows from the existing legislation.

21.8

The Danish Film Institute has the right, without any restrictions, to make copies of the film and other material, see clause 19 and clause 21.6., in order to exercise the Danish Film Institute's rights under these terms and conditions.

21.9

The Danish Film Institute's acquisition of rights under these terms and conditions is not subject to any time restrictions.

21.10

With regard to the rights to the music used in the film, and any archive material or the like, the Danish Film Institute may, depending on the circumstances, approve by written agreement with the funding beneficiary that the funding beneficiary's rights acquisition to exercise all other rights than the rights to the film held by the Danish Film Institute applies for a fixed term.

21.11

The Danish Film Institute may assign the rights acquired under these terms to third parties for use in the Danish Film Institute's exercise thereof in accordance with these terms and conditions.

21.12

The funding beneficiary is obliged to enter into an agreement with the relevant rights holders and contributors that ensures that the Danish Film Institute can exercise the Danish Film Institute's rights to the completed production, as described in these terms and conditions.

21.13

It is a condition for being granted funding under the funding terms that the funding beneficiary and the underlying rights holders have access to reserve their rights that are subject to the agreement licence provisions of the Danish Copyright Act and similar schemes agreed between artist organisations and producer organisations.

The Danish Film Institute's acquisition of rights under these terms and conditions is non-exclusive, and the Danish Film Institute's acquisition of rights therefore does not preclude the exercise of these rights by the funding beneficiary and the underlying rights holders in accordance with any agreements they may have entered into on this.

The Danish Film Institute's acquisition of the non-exclusive distribution rights, see clause 21 of these terms and conditions, does not constitute any restrictions of the funding beneficiary's and the underlying rights holders' right to claim remuneration in accordance with (and under schemes established via) sections 13, 17, 30 a, 35 and 39-46 a and agreements covered by section 50(2) of the Danish Copyright Act and corresponding foreign or international rules or any subsequent rules that may supplement or amend these rules.

The above provisions do not impose any restrictions on the Danish Film Institute's exercise of its rights under these terms and conditions or the obligation to pay remuneration to the producer, the creative contributors or other underlying rights holders.

21.14

The granting of funding under these terms and conditions is subject to the condition that the funding beneficiary's conclusion of agreements with TV stations and other distributors which entail an assignment of showing and distribution rights to the production is done on market conditions and that the concluded agreements can be approved by the Danish Film Institute.

One prerequisite for the Danish Film Institute's approval is that the agreements are concluded on terms that take into due account the finances and financing of the productions and that there is a reasonable correlation between the exploitation rights that are assigned and the TV station's/distributor's payment for the exploitation rights, and that the agreements ensure the funding beneficiary's opportunities to enter into agreements on the exploitation of other rights to the production.

21.15

On expiry of a licence period under agreements between the funding beneficiary and TV stations where the TV station acquires additional showing rights to the production, it is a prerequisite that the TV station settles rerun fees with third parties.

The Danish Film Institute's exercise of its rights under these terms and conditions (and the special terms applicable to the individual funding scheme) does not entail an obligation to pay remuneration to the producer or other parties, unless this has been agreed in writing.

21.16

The funding beneficiary must document to the Danish Film Institute that the necessary rights have been acquired by the funding beneficiary. The funding beneficiary must indemnify the Danish Film Institute if rights holders or third parties may bring claims as a consequence of the Danish Film Institute's exercise of its rights under these term and conditions or any other agreements with the funding beneficiary.

22. Funding beneficiaries' rights

22.1

In relation to the Danish Film Institute, the funding beneficiary is the holder of all rights to the production which have not been assigned to the Danish Film Institute under these terms and conditions, including the rights to the exploitation of the narrative universe, action, characters, figures with a basis in the production by merchandising or other commercial exploitation.

22.2

The funding beneficiary has an obligation and bears the full responsibility in any and all respects for entering into an agreement with all underlying rights holders and assignees which ensures that the funding beneficiary holds the unrestricted rights to the funding beneficiary's exploitation of the above rights.

22.3

The funding beneficiary will bear all expenses for payment of remuneration and royalties to the underlying rights holders and third parties in connection with the exploitation of the funding beneficiary's rights to the production.

23. Crediting

23.1 Films

It must appear from the opening credit texts that the film has been produced with funding from the "Danish Film Institute", unless otherwise agreed between the producer and the Danish Film Institute for artistic reasons.

It must appear from the credit texts of the film that the film has been produced with funding from the "Danish Film Institute", including the funding scheme, editorial board and/or consultant that has/have supported the funding of the film, and the Danish Film Institute's logo must also be shown.

The funding beneficiary is also responsible for ensuring that it clearly follows in all material concerning the film, including promotional material, that the Danish Film Institute has granted funding for the film, and the Danish Film Institute's logo must be used. The logo can be found on the Danish Film Institute's website.

The design of credit texts, advertising material etc. that concern the Danish Film Institute must be approved by the Danish Film Institute.

For feature films, the Danish Film Institute must be offered 40 tickets to the cinema premiere of the film in Denmark.

For films that have been granted production funding under the New Danish Screen talent development scheme, New Danish Screen's animated logo must be inserted in its full length and size at the beginning of the film on all formats. New Danish Screen and the Danish Film Institute must be credited with logo at the end of the credits on all formats.

23.2 All other operational and project funding

The funding beneficiary is responsible for ensuring that it is clearly stated in all press and promotional material regarding the project that the project is launched in Denmark with funding from the 'Danish Film Institute', and the Danish Film Institute's logo must be used. The logo can be found on the Danish Film Institute's website.

These 'The Danish Film Institute's general terms and conditions' of 1 September 2022 have been laid down by the Danish Film Institute's Board in accordance with the existing Danish Film Act (Filmloven), the Danish Executive Order on the Statutes for the Danish Film Institute as well as the Film Agreement for 2019-2023. In accordance with the EU Commission's existing practice, these terms and conditions must be revised no later than six years after they have entered into force.