

## **Statutes of the Film Fund of Estonian Islands**

### **I General provisions**

1. These Terms and Conditions establish the order of activity and grant allocations of the Film Fund of Estonian Islands.
2. The aim of the Film Fund of Estonian Islands is to promote the creation of professional audio-visual work, to create the basis for professional film making on the islands via supporting audio-visual educational activities and projects, to attract investments to Saare and Hiiu Counties, to advertise the counties in Estonia and abroad.
3. The work of the Fund Film of Estonian Islands is arranged by the SA Saare Arenduskeskus (hereinafter referred to as SAK or the Saaremaa Development Centre). SAK organises the receipt of applications (including the publication of information and application materials on the web page of the Film Fund of Estonian Islands), delivers applications to the Expert committee, ensures the functioning of the work of the Expert committee, concludes co-financing contracts, checks the reports and transfers payments.
4. Terms:
  - 1.1. The applicant must be a legal person registered in Estonia, who:
    - 4.1.1. has an earlier professional film making experience or has been active in the area of film and media education for over two years;
    - 4.1.2. has no tax arrears during the time of application;
    - 4.1.3. in case of a film project, upon the submission of the application, at least 50 % of the total cost of the film is guaranteed (the exact percentage is specified in the financing plan of the film);
    - 4.1.4. plans to carry out the film project within the year the application is submitted and submits the expenditure report of the film project by March 31 of the next year at the latest;
    - 4.1.5. upon the current moment the application is submitted at least 15% of the entire project is ensured in case of film and media literacy teaching projects (the exact percentage is specified in the financing plan of the film).
  - 2.2. Eligible expenditure – costs that are financed according to the terms and conditions of this statute.
  - 3.3. Non-eligible expenditure – costs that are not financed according to the terms and conditions of this statute.
  - 4.4. Grant recipient – an applicant with whom the co-financing contract is concluded.
  - 5.5. Expert committee – authority which decides upon the allocation and use of grants appointed by the Film Fund of Estonian Islands, including the reviewing and the assessment of applications. The members are appointed by the partners who make the main payments in the cooperation contract of the Film Fund of Estonian Islands. The Expert committee consist of up to five members, including 1 representative of Saaremaa Development Centre, at least 1

representative of the financier(s) and at least 1 expert of an independent area.

5. Applications for film projects, which shooting has been finished by the time the application is submitted, are not eligible.
6. Co-financing contracts shall be concluded with grant recipients for the use of the allocated grant.
7. Grants are not allocated to film projects that incite religious hatred and racism, depict incited violence or include propaganda degrading human dignity.
8. There are no rounds for submitting applications; applications are accepted currently until September 30 of the year the application is submitted for.

## **II Application invitation**

9. The Saaremaa Development Centre and the partners of the Film Fund of Estonian Islands publish information in their official media channels, on the web page [www.filmestonia.eu](http://www.filmestonia.eu) and on the mailing lists of the Estonian Film Institute.
10. The application terms and conditions are available at the web page of the Saaremaa Development Centre: [www.sasak.ee/filmifond](http://www.sasak.ee/filmifond).

## **III Eligible and non-eligible expenditure**

11. Eligible expenditure means expenditure that is made since the date the decision for the allocation of the grant is made and is directly connected with the supported film project or the realisation of a film and a media literacy teaching project, including expenditure items as follows:
  - 11.1. hotels and other services connected with accommodation;
  - 11.2. rental of equipment required for teaching and the production of the film;
  - 11.3. transport services;
  - 11.4. catering services (provided by the service provider);
  - 11.5. construction services required for the preparation and production of the film;
  - 11.6. safety services;
  - 11.7. utility services and public services;
  - 11.8. rental of rooms;
  - 11.9. miscellaneous goods (e.g. requisites, etc.);
  - 11.10. services connected with the production of the film or teaching;
  - 11.11. creative services (for services provided by authors/lecturers or groups);
  - 11.12. other services (e.g. translation, photography, make-up, stage design services, special effects, etc.);
  - 11.13. administration services (office services, legal assistance, accounting, personnel selection, etc.);
  - 11.14. producer's fee up to 7% of the eligible expenditure of the grant;
  - 11.15. fees for the participants in mass scenes, actors, etc.;
  - 11.16. salary+taxes for people connected with the film production/teaching film and media literacy.

12. Service providers (entrepreneurs), for whom the expenditure is eligible, must provide the service for the film and film literacy teaching project on the territory of Saare and/or Hiiu Counties. The expert committee may exclusively, and at their own discretion and for adequate justification deem eligible also the service providers' expenditure, which, according to their assessment, are in conformity with the goals of the Film Fund of Estonian Islands.
13. Eligible expenditure is as follows:
  - 1.1. producer's fee, which amount exceeds 7% of the eligible expenditure;
  - 2.2. bank fees;
  - 3.3. small expenditure to in shops (up 10 EUR);
  - 4.4. expenditure, which is initially not intended or necessary for the realisation of the project;
  - 5.5. other expenses deemed as non-eligible by the Expert committee, not connected with the execution of a film project or film and media literacy study project.
14. If it appears that the purchased goods or services are used for personal purpose, the grant is not allocated or the sum of the grant is proportionally decreased. In case the later reporting reveals that the grant was used for personal purpose, a decision may be passed that the grant recipient must transfer a proportional refund within the range the grant was used for personal purposes.

#### **IV Submission of the application**

15. There are no rounds for the submission of applications. Applications are submitted and processed consecutively. The period for using the grant is 12 months since the decision to allocate the grant is made. The application is submitted electronically to the contact mail of the Saaremaa Development Centre, the response to each application is sent at least within 30 days since the receipt of the application.
16. The application must include as follows:
  - 16.1. in case of a film project a simple signed application and its appendixes:
    - 16.1.1 the synopsis of the work;
    - 16.1.2. the script of the expanded treatment of the work;
    - 16.1.3. the schedule of the production of the work;
    - 16.1.4. the production team with key (creative) persons' CVs;
    - 16.1.5. the schedule of the distribution of the work;
    - 16.1.6. the overview of activities carried out in Saare and/or Hiiu Counties together with the schedule;
    - 16.1.7. information about the production company, including a review of earlier works;
    - 16.1.8 the budget of the film project and the financing plan;
    - 16.1.9. approved financing is confirmed by contracts and letters of intent;
    - 16.1.10. any other additional information the applicant deems necessary.
  - 16.2. in case of a film and media literacy teaching project:
    - 16.2.1. summarising description of the educational activity/activities;

- 16.2.2. extended treatment of educational activity/activities together with target groups;
- 16.2.3. the schedule of the performance of educational activity/activities;
- 16.2.4. the organisational team of educational activities together with key (creative) persons' CVs;
- 16.2.5. the plan for the distribution of A/V media work prepared during the educational activity/activities;
- 16.2.6. the overview of activities performed in Saare and/or Hiiu Counties together with the schedule;
- 16.2.7. information about the organisation which organises and coordinates the educational activity, including a review of earlier works;
- 16.2.8. the budget of the film and the media literacy teaching project and the financing plan;
- 16.2.9. the allocated grant is confirmed by concluded contracts and letters of intent;
- 16.2.10. other additional information the applicant deems necessary to be added.
- 16.3. The estimated summary of expenditure made in Saare and/or Hiiu County in conformity with the statute of eligible expenditure; the valuation of expenditure may change during the realisation of the film project or film and the media literacy teaching project but not exceed the sum of the agreed grant.
- 17. The documents may be submitted in the Estonian or the English language; the application must be signed by the signatory of the production company/educational establishment.
- 18. In case the application includes the request to keep a business secret or its parts, the applicant must note it down in the application.

## **V Valuation of applications and public disclosure of results**

- 19. Applications are assessed by the Expert committee of the Film Fund of Estonian Islands, which consist of the representative(s) of the financer(s), the founder(s) of the film fund and the independent expert(s).
- 20. The review of the application is organised by the Expert committee in two rounds:
  - 1.1. in the first round the conformity with the requirements of the application and the compliance with the goals of the Film Fund of Estonian Islands are assessed. If necessary, a recommendation is made to the applicant for the amendments and improvements in the application;
  - 2.2. in the second round the summary of the application is made and the maximum rate of co-financing by the Film Fund of Estonian Islands is determined.
- 21. The decisions for grant allocations are made by the Expert committee, which also establishes the regulations for the procedure. Decisions are made at meetings by public voting. To satisfy the application the simple majority of vote of the Expert committee is required.
- 22. During the valuation of the application the Expert committee has the right:
  - 1.1. to invite the applicant to be present for the submission of the application and answering the questions;
  - 2.2. to invite experts and other specialists to give opinions/valuations.
- 23. The Expert committee shall make a decision concerning the application within 30 working days since the submission of the complete application (including all amendments and improvements made).

24. The Expert committee shall make a separate decision per each application.
25. In case the application is satisfied, the Expert committee shall make a decision concerning the co-financing rate established by the Film Fund of the Estonian Islands.
26. Before the co-financing contract is concluded, the Expert committee has the right:
  - 1.1. to request additional information from the applicant;
  - 2.2. to change the valuation of the expenditure in the submitted application by changing the qualification of certain expenditure items between eligible and non-eligible expenditure;
  - 3.3. to change, based on the applicant's well-founded application, the valuation of expenditure without changing the amount of the allocated grant.
27. The Expert committee's decision about the application shall be publicly disclosed after being confirmed on the web page of the Saaremaa Development Centre/Film Fund of Estonian Islands.
28. The co-financing contract shall not be signed in case it becomes apparent before signing that the applicant has deliberately submitted false data or within the application valuation process has tried to obtain confidential information or influence the decision-making process.

## **VI Co-financing contract**

29. SAK shall sign the applicant's written co-financing contract after all established requirements are met. Until the co-financing contract is not signed, the decision to satisfy the contract shall not be binding to the Film Fund of Estonian Islands and the Saaremaa Development Centre.
30. The co-financing contract shall be signed when the partners have allocated the Film Fund of Estonian Islands funds at least within the sum required for the grant. Before signing the Film Fund of Estonian Islands has the right, in case it is necessary, to decrease the planned grant sum in conformity with the financial resources available for the Film Fund of Estonian Islands, and the Saaremaa Development Fund may refuse to sign the co-financing contract if the financial resources are not allocated to the Film Fund of Estonian Islands.
31. In case the available financial funds are limited, the preferred applicants are the ones whose planned activities in Saare and Hiiu Counties are the biggest.
32. The approved decision of co-financing shall be valid for six months after the partners' confirmation. During this period the co-financing contract has to be signed. This period may be extended by the partners' decision if the applicant has submitted a corresponding well-founded application to the Saaremaa Development Centre.
33. By the co-financing contract the realisation schedule of the film project or film and media literacy teaching project is established. Also the planned expenditure made in Saare and/or Hiiu Counties shall be determined, the maximum rate of co-financing of the Film Fund of Estonian Islands and other conditions, which shall be binding in the realisation of the film project or the film and media literacy teaching project, are fixed.
34. In case no applications are submitted to the Film Fund of Estonian Islands and/or no sums are allocated, the funds shall be transferred to the next application round.

## **VII Grant allocation**

35. The grant is allocated in conformity with the co-financing contract after the grant recipient has submitted to the Saaremaa Development Centre the expenditure report

- together with the copies of expenditure documents after the completed realisation of the film project or film and media literacy teaching project, but not later than by March 31 of the next year.
36. The Saaremaa Development Centre shall review the report of the film project realisation, the report of the use of financial resources and the expenditure report, including the expenditure made within the realisation of the film project or the film and the media literacy teaching project in Saare and/or Hiiu Counties within 20 working days, involving the Expert committee or other independent experts if necessary. It is assessed whether the realisation of the film project, the use of money and the expenditure made in Saare and/or Hiiu Counties are in conformity with the co-financing contract. Thereafter the reports are submitted to the Expert committee for verification. The Expert committee shall confirm the report within 14 working days.
  37. In case the reports are approved, the Saaremaa Development Centre calculates the size of the compensation sum for the grant recipient according to the co-financing contract.
  38. The Saaremaa Development Centre has the right to request additional information and documents to confirm the expenditure made during the realisation of the project.
  39. Documents confirming the expenditure are the copies of documents as follows:
    - 39.1. payment orders for paying the invoices confirmed by the bank;
    - 39.2. receipts;
    - 39.3. cheques of electronic cash registers;
    - 39.4. other accounting documents.
  40. The grant shall be paid within 14 working days after the Expert committee has made a decision concerning the conformity of the realised film project or film and media literacy teaching project to the established requirements and about the payment of the grant.
  41. The Expert committee has the right to decrease the grant in case:
    - 41.1. the expenses on the grant recipient's expenditure list proved by documents are unreasonably higher than the market prices;
    - 41.2. the grant recipient leaves the report of the realisation of the film project or film and media literacy teaching project unfounded and without any advance notice fails to submit the report by the deadline;
  42. The Expert committee has the right not to allocate the grant in case the grant recipient:
    - 42.1. has mislead the Expert committee, the Saaremaa Development Centre or the Film Fund of the Estonian Islands in any way;
    - 42.2. has not submitted the required documents by the deadline;
    - 42.3. has not submitted the documents to prove expenditure or other required documents by the deadline;
    - 42.4. has used the financial resources allocated for the realisation of film project or the film and the media literacy teaching project for the purpose not connected with the film project or the film and media literacy teaching project.

## **VIII The applicant's rights and obligations**

43. The applicant has the right to revoke the submitted application.

44. The applicant is obliged to ensure that the data submitted in the application is correct. In case incorrect data is submitted, the application shall not be satisfied or the allocated grant has to be returned.
45. The applicant must follow the terms and conditions provided in this statute and the terms and conditions of the co-financing contract.

#### **IX Verification measures**

46. The Saaremaa Development Centre has the right to include the Expert committee or independent experts in the realisation of a film project or a film and media literacy teaching project to assess the conformity of the substantive realisation to the content submitted in the application and the compliance of eligible expenditure to the market prices.

#### **X Final provisions**

47. After the co-financing contract has been signed, the grant recipient and the executer of the film project or the film and media literacy teaching project undertake to add information about the grant of the Film Fund of Estonian Islands in the final titles of the ready-made work and the materials connected with the advertising and promoting of the work.
48. The grant recipient is obliged to give the Saaremaa Development Centre three digital presentation copies of the finished film project.
49. In the co-financing contract the applicant shall give the Saaremaa Development Centre and the Film Fund of Estonian Islands the right (a non-exclusive licence) to use the supported works in their marketing and other activities in Estonia and other countries.
50. The Film Fund of Estonian Islands reserves the right to make changes in this statute.