

LEGAL AND FINANCIAL STUDY

This study was carried out to support the **ALICE** (Animation League for Increased Cooperation in Europe) Financial and Legal Working Group

It has consisted, **on the basis of four concrete cases**, of examining from the legal point of view the means to remove the obstacles related to:

- the portability of rights, namely to analyze whether the regulations of the various partners involved in the management of audiovisual production rights can coexist;
- the portability of talent, namely to make possible the production of audiovisual productions by involving various partners of the A.L.I.C.E program;
- the compatibility of financial tools, namely optimizing financing plans, by identifying the compatibility of sources of co-production funding in animation, and then optimizing them in order to jointly co-finance the programs.

The overall objective of the Financial and Legal Working Group was (i) to translate into legal terms the facilitations that two regions could offer to animation production professionals present in their respective territories and (ii) to come up with a recommendation that can be adapted in Europe afterwards.

We worked on the basis of the following four concrete cases:

- **Case-Study n°1 - MADLAB/ DREAMWALL**: cooperation between two cross-border animation studios located in the Hauts-de-France and Wallonia, two partner regions of ALICE,
- **Case-Study n°2 - JOSEP**: animation film co-produced by French, Belgian and Spanish partners,
- **Case-Study n°3 - HEART OF TOWER**: an animated film co-produced by Slovakia, the Czech Republic and Belgium.
- **Case study n°4 - THE PEASANTS**: an animated film co-produced by Poland, Lithuania and Serbia

From these four cases, we identified 4 main legal obstacles to the increase of European cooperation and identified some priority proposals of action that could be put in place to facilitate these European cooperation (Part 1).

However, since these proposals of action usually imply a modification of European and/or national regulations which may take a long time to implement, we propose to create two cooperation tools whose implementation could be decided more quickly, because it would take place at the regional level, without any change in European or national legislation or regulations being necessary (Part 2).

PART 1

IDENTIFICATION OF 4 KEY LEGAL BARRIERS AND LONG-TERM COURSES OF ACTION

In general, inter-European collaboration in the field of audiovisual production of animated films and television series has developed strongly over the past thirty years, mainly through the establishment European and national cultural policies. The European Union and its Member States have put in place a set of rules aimed at establishing harmonized conditions for the production and distribution of audiovisual works in Europe.

We can point out that these rules also aim, in an underlying way, to encourage the structuring of a European audiovisual program production force capable of dealing with its main competitors that are the United States and Asia and to create content that is a cultural alternative to North American programs.

1. General context: European and national rules

The rules governing the development, production and distribution of animated works consist mainly of three parts:

a) a general body of rules emanating from European organizations, such as:

- Founding European texts in audiovisual production, such as the European Union's Television Without Frontiers Directive of 3 October 1989 (Ref. 89/552/EEC) or the Council of Europe cross-border broadcasting Convention of 5 May 1989 (Ref. STE n°132),
- The daily normative action of the European Union, mainly Article 54 of the Regulation of 17 June 2014 declaring certain categories of aid compatible with the internal market, including public aid for audiovisual aid (ref. EU Regulation No. 651-2014); to which we can add the directive of November 14, 2018 to coordinate the rules relating to Audiovisual media services on demand - ref. EU 2018/1808 -, *currently being transposed in European states.*

b) national rules, enacted by the Member States:

In compliance with the aforementioned European texts, from the 1990s onwards, the Member States of the European Union created and/or reinforced a set of national regulations aimed at promoting the production of audiovisual works, particularly in the animation sector. Each State, within the framework of its pre-existing laws and regulations, put in place or expanded its public subsidies or tax reduction mechanisms to encourage producers to locate expenditure in its country (e.g.: tax shelter in Belgium or tax credit in France), etc.

c) regional or local regulations

The turn of the XXIth century was marked by a growing interest in the audiovisual sector, as a structural element of the local culture and economy, of many Regions, Departments or Cities in Europe. Grouped together within the Cine-Regio association, these regional or local entities are today about fifty, which for the most part act on the basis of internal regulations based on economic criteria for job creation. They invest in productions by asking sustained producers to territorialize a part of their expenses.

Result is **disparities in regulation between the various European countries and/or regions**, with regard to:

(i) the general principle of building the European Union:

- refusal of the Member States of the European Union to set up a federal state, in which all the federated states would apply common and identical rules, and
- the principle of subsidiarity, according to which a central authority may perform only those tasks which cannot be performed at the lower level,

(ii) and the national and regional particularities of each Member State: each State has built its own rules, certainly in compliance with European rules, but also on the basis of a pre-existing set of local laws and regulations. For example, the French state has chosen to grant directly to taxpayers (film or audiovisual production companies), a system of «tax credit» (tax reduction or refund) inspired by rules applicable to real estate investment; in Belgium, a tax-shelter mechanism has been created which, via financial intermediaries, grants tax reductions to investors in audiovisual production.

2. Identification of 4 main legal barriers through three concrete cases and long-term proposals of action

The analysis of three concrete cases allowed us to identify **4** main legal barriers to the development of the production of European animation works (films and series) between several European countries. Following the analysis of these three cases, we envisage possible courses of action.

2. a) Case-Study n°1 - MADLAB / DREAMWALL

The animation studios Madlab (France-Hauts de France) and Dreamwall (Belgium-Wallonie) reported their main difficulties in collaborating across the border between them.

This first case is interesting to deal with because it involves:

- two animation studios, which are both producers (rights holders) and service providers (providing services for third-party producers),
- situated geographically less than 150 km apart on each side of the Franco-Belgian border,
- supported and monitored for many years by the regional audiovisual aid bodies Pictanovo (France) and Wallimage (Belgium),
- having already collaborated on the production of animation series supported by Pictanovo and Wallimage (notably the series *Abraca* and *Petit Poilu, season 2*),
- being both part of the same private group, Media Participations, and therefore better able to establish cross-border collaboration synergies than third-party producers who do not have a human or capital link.

These two companies reported two main legal constraints, both linked to their **desire to sustain and retain their teams**: it is essential for the daily life and the artistic and technical future of these two companies to create stable teams, which are established in the regions and remain there for a long time, without being tempted to go abroad when a series or a film is completed. Creating a local and stable ecosystem is also a crucial issue for local organizations supporting the regional audiovisual industry (Wallimage and Pictanovo).

Obstacle 1: Issue of tax domicile of employees

Member States have put in place national and/or regional regulations laying down conditions for the eligibility of animation projects for public subsidies, which vary according to the country and/or region, concerning in particular the location of local expenditures.

The location of the **tax domicile** of workers in a State or region is a *sine qua non* condition for eligibility of expenditures to meet the requirements of national or regional funds and tax administrations, whether in

France/Hauts-France or Belgium/Wallonia, in order to benefit from their contribution to the financing of projects. The territorializing of expenditure via the tax domicile of authors or employees is one of the recurring rules for the allocation of public subsidies.

This localization requirement is a barrier to the portability and intra-European circulation of talent. Indeed, if a studio hires an employee and wants his remuneration to be part of the expenses eligible for public subsidies or a tax reduction, it must be able to prove, under risk of ineligibility of expenses, that the employee has a tax domicile in his country or region.

>> It might be useful to relax this rule and to make it, for example, only concern the «European nationality» and the fact, for the studio, to pay this expense, which would facilitate the flow of talents from one region or country to another through collaboration between two studios.

But this would involve a change in regional or national rules for the allocation of public subsidies, which would take time to implement.

Each studio also pointed out that this rule of tax domicile of employees in its own country was particularly disabling **at the stage of development and preparation of a project**: indeed, at a stage where the project is not (or little) financed, the risk investment of the producer is significant. This preliminary development step is essential for the project; it is also a phase in which the teams get to know each other and start a collaboration which, if financed, could lead to a long-term collaboration for several years during the production of the film or the series. It is thus unfortunate that the investments in cash and time/man devoted to the development of projects, which in addition, makes it possible to retain the teams during the production troughs between two series, either not (or little) taken into account by the applicable regulations. Especially since this stage of preparation is often little or not financially supported before the implementation of the work.

We will discuss in Part 2 infra one of the solutions we propose in this regard.

Obstacle 2: Disparity of labor laws and rules in Europe

The European rules, once transposed in each Member State, are subject to the pre-existing laws of each country.

In France, the “intermittent” system (a fixed-term contract known as a “use” contract) exists for a long time for many performing arts: live shows (dance, theatre, etc.), audiovisual production (cinema, television, etc.), etc. It allows the latter to benefit from social security and unemployment benefits during non-working periods (for example, between the production of two series, in the case of animation).

In Belgium, even if the regulations are evolving, it is customary for workers in audiovisual production to be engaged as «independent». There is indeed a «status of artist» which allows some people to work under fixed-term contracts without losing their access to unemployment but this status is most often reserved for professions considered as creative (directors, actors...) and often refused to “technicians” of animation. Whatever is the formula of their commitment, these technicians generally have fewer advantages than the French “intermittents”.

This disparity in legislation has negative effects on Belgian studios (including Dreamwall) in their desire to perpetuate and retain their teams: some of their employees have indeed an advantage in going to work abroad (France, Canada, USA ...) which, therefore, impoverishes the Belgian talent pool.

>> Here again, a change in national legislation would be necessary to balance working conditions on both sides of national borders.

2. b) Case-Study n°2 – JOSEP Film

JOSEP is an animated film released in 2021 telling a story of friendship between an anti-Franco fighter who fled in 1939 in France (Josep) and a French policeman. This is a France-Belgium-Spain co-production. JOSEP has won numerous awards, including the César 2021 for Best Animated Film in France, the Best Animated Film Award at the European Film Award 2020, it was in the official selection of the Cannes Film Festival 2020, etc.

However, despite the subject and the participation of a Spanish producer (Imagic TV) who was involved in the financing of the film in production, the latter did not obtain Spanish nationality. As a result, the film could not be submitted for the Spanish and/or international awards as a Spanish film nor obtain the national Spanish advantages granted to Spanish films (such as national subsidies and/or tax incentives).

The Catalan partner of ALICE, PROA, The Federation of audio-visual producers, of which Imagic TV is a member, identified this case and the origin of this situation in the Spanish legislation on the time limits for validating international co-productions and obtaining Spanish nationality for a film.

Obstacle 3: Disparity in national rules concerning the time limits for validating a co-production and granting the nationality of a film

Until December 2020, Spanish laws allowed the attribution of Spanish nationality to an international co-production **BEFORE the first day of shooting a film** (i.e. the first day of animation for an animated film) (Article 10.3 of Royal Decree 1084/2015 of 4 December 2015 pursuant to Law 55/2007 of 28 December 2007 on cinema <https://www.boe.es/buscar/act.php?id=BOE-A-2015-13207>).

The grant of Spanish nationality allows to apply for national and regional aids and subsidies as well as for tax incentives and to the famous Spanish Goya Awards.

However, in the case of JOSEP, the company Imagic TV having replaced a Spanish co-producer initially committed for the production of the film and after the first day of animation, it was not able to present the film to the Spanish authorities for the qualification of the film (Institute of Cinematography and Audiovisual Arts). The film was therefore unable to obtain Spanish nationality and benefit from this status.

PROA has therefore asked the Spanish Government for a legislative change which resulted, in December 2020, in an amendment to the decree which now provides that the request for approval of a financial co-production may be requested **at any time, after the shooting has begun or is completed**, but in any case before obtaining the certificate of qualification and nationality of the film (*ref. new Article 10.4 of Royal Decree 1090/2020 of 9 December 2020 amending the above mentioned the Royal Decree of 4 December 2015* https://www.boe.es/diario_boe/txt.php?id=BOE-A-2020-15877).

>> As we note in this Case-Study 2, a modification of the Spanish national rules for granting the nationality of films and giving the right to certain advantages (including public subsidies and tax aid) was necessary.

If it does not seem certain to us that according to the principle of subsidiarity mentioned above, the European Union would declare itself competent to adopt a European directive aiming to harmonize the European rules concerning the granting of the nationality of a film opening the access to public subsidies, the issue deserves to be addressed.

Bilateral exchanges between the French CNC (Centre national du cinéma) and the corresponding national bodies (such as the Spanish Institute of Cinematography and Audiovisual Arts) could lead to such harmonization and facilitation of European co-productions through the examination and comparison of the different national legislations in order to move towards a better-known legislation in the field.

For example, in France, the granting to a film of the French nationality and the acceptance of a co-production partner by the CNC has been possible for many years up to 8 months after the issue of the exploitation visa, as per the “production approval” (the French official production approval of the film). Even

if we must point out that this possibility is exceptional so late because, most often, a co-production is structured much earlier in the production process to grant advantages (public subsidies, etc) to a foreign partner in return of local expenditures, we can note that this French rule goes beyond the Spanish rules. In addition, the approval of the film takes place at the end of production and is intended to validate the criteria for eligibility for public subsidies submitted by the producer to the CNC prior to production. If, in France, it is possible to obtain French nationality at the end of production ("production approval") and without having obtained the prior opinion of the CNC ("approval of investments"), the CNC will only approve the co-producer and grant the French nationality if the film complies with all the rules for eligibility under the French subsidies' rules.

Finally, we can also mention the French aid of the CNC called «Avance sur recette APRES réalisation». This aid, amounting to 100 to 150 K€, has been in existence since 1960 and aims to encourage the renewal of creation by encouraging the creation of the first films and to support independent cinema which cannot, without public support, find a financial balance. This is selective aid granted by a CNC committee to films with a gap financing and which must comply with the conditions for eligibility under the public subsidies' rules.

Belgium is in an intermediate position between Spain and France. So-called "finalization aids" may indeed be granted by the Centre du Cinéma but the very attractive tool of the Tax-Shelter can only be requested by Belgian producers after recognition of the Belgian nationality of the production which, in fact, are pushing them to apply for it as early as possible in the financing process.

Obstacle 4: Salary disparity in the Member States

2. c) Case-Study n°3 – HEART OF TOWER: an animated film co-produced by Slovakia, the Czech Republic and Belgium.

Budget: 3.3 M€

Producer: Peter Badač from BFilm (SK)

2. d) Case study n°4 - THE PEASANTS: an animated film co-produced by Poland, Lithuania and Serbia
Budget : 6.5 M€

Producer : Sean Bobbitt - BreakThru Films

Both Poland and Slovakia as well as the other Central and Eastern European countries have similar wage disparities with the Western countries. These are labour costs that are on average 30-40% lower.

It is the responsibility of the co-producers to agree on a fair balance of the value to be given in terms of film revenue rights to man-days performed at different rates of pay.

As for the public authorities, they should also put this on the agenda of their discussions in order to see what means could be implemented at their level to remove this barrier to fair and equitable coproduction.

On the other hand, it became apparent during the examination of the Polish and Slovakian case studies that producers are finding other ways to overcome these purely financial obstacles.

These projects have one point in common : the use of 3D CGI techniques, which requires the use of external skills as they are still underdeveloped in these territories.

In the case of Heart of Tower, it is the co-production with a Belgian company specialized in this 3D CGI field that allowed this contribution of know-how. In the case of The Peasants (from the producer "Loving Vincent"), the Polish producer called on a studio specialized in VFX based in Serbia.

In the first case, the Belgian producer's extra costs were partly reduced by the tax shelter, which covers up to 42% of the net production costs, while in the second case, the costs equivalent to those in Poland were used to set up the project.

Another common feature of these two projects is that they build on the strengths in terms of skills and artistry that make their territory unique: this is the case, for example, of the use of stop motion in the case of the Czech co-producer of Heart of a Tower or the use of painters in Lithuania and Poland in the case of The Peasants.

The use of an innovative technique from the video world, Unity Game Engine, allowed to reduce the costs of the final composition/rendering of the film and to keep the balance of 1/3 of the rights in the film for each of the three co-producers (for a budget of 3.3 M€).

In both cases, the projects have recourse to Eurimages which contributes approximately 9% of the budget; They both succeeded in attracting an international sales agent

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In view of the above elements, the complexity and the time required for the modification of European and/or national and/or regional rules, we proposed to A.L.I.C.E to set up an inter-regional collaboration mechanism, which could be set up in the short term.

PART 2

PROPOSED SHORT-TERM INTER-TERRITORIAL ACTIONS: WONDERLAND SEAL OF EXCELLENCE AND CO-FINANCING OF DEVELOPMENT

One of the objectives of A.L.I.C.E. being to propose solutions to overcome certain obstacles that limit the collaboration between the actors of animation production between several countries, we worked in the following direction:

- Implementation of solutions **at regional level**, likely to be adopted **in the short term**, within a shorter period than a possible amendment of national legislation;
- Proposal of **flexible and adaptable tools for other inter-regional collaborations**.

The ultimate goal of the ALICE approach is and remains to make evolve the various legislations including national ones but it seemed to us more realistic and concrete to focus on a bottom-up strategy. Creating and multiplying positive case studies of the daily practice is undoubtedly the best way to change mentalities and laws.

In view of the disparity of the current legal and financial contexts of the various members of A.L.I.C.E. and the respective cultural policies of each of its members, we thought it wise to propose a two-stage solution:

- a **label of excellence**, facilitating the grouping and collaboration of actors in the animation of several regions beyond national borders under a common umbrella,
- a **financial tool** to support from the beginning, at the development stage of projects, the cooperation between producers and/or animation studios.

The label of excellence called WONDERLAND will be the first main step of inter-regional cooperation which will be able, according to the will of cultural policy of each region and their financial means, to be completed by the second step, a bilateral financial instrument for financial participation in the preparation of projects, called WHITE MARKETING RABBIT.

1. WONDERLAND TERRITORIES LABEL AND SMART DIRECTORY

1.a) The WONDERLAND label

We propose to create a **multi-regional label called WONDERLAND**. This label will be **awarded by A.L.I.C.E.** It will bring together **European territories** that wish to collaborate closely and promote the development and inter-regional production of projects between animation companies in their territory.

The LABEL is a flexible tool:

- which may apply to any activity in animation: **both audiovisual series, film production and/or new media**.
- which **promotes new collaborations**: territories with the Label may already be accustomed to working together at the inter-regional level but it will also be open to territories which, once labelled but never having collaborated together, would like to join forces to develop new projects, methods of collaboration, technical tools...

Will therefore have access to this label any territory of limited size (small countries, regions, provinces, departments...):

- having an audiovisual investment vehicle (fund or commission),
- desiring to self-identify as promoter of the animation sector,
- and open to co-productions with their near or far neighbors.

To obtain the label, the fund (or commission) active in the territory will notify its WONDERLAND application to A.L.I.C.E. by means of an online form in which :

- it shall describe its mode of operation and means,
- it will establish the exhaustive list of animation studios present on its territory and other resources specific to animation in the "image" and "sound" areas.
- After this first step, the fund or commission will have to encourage a substantial part of the animation studios present in its territory (for instance 80 % for the regions and 60% for the countries – percentage to be determined by A.L.I.C.E.) to fill in a detailed questionnaire that will be included in a database reserved for professionals in the sector and called ALICE SMART DIRECTORY. As soon as this percentage is reached or exceeded, the WONDERLAND label will be awarded to this territory which will be able to communicate about it.

In this legal study, we propose as the first concrete element of WONDERLAND the creation of this database of animation actors (see point 1.b. below). Other complementary tools could also be set up jointly by one or more WONDERLAND territories in order to increase collaboration between the actors of its territory and their influence outside the said territories, such as:

- inter-regional vocational training measures,
- common external communication actions such as a communication campaign via social networks and other media or the creation of a WONDERLAND festival rewarding the best films or animation series in the territories,
- a «talent fair» that occasionally highlights, during professional events, the talents specialized for example in the 3D animation sector...

Thus, we expect that the success of the WONDERLAND label with its founding members **will lead to the accession of new territories** to enrich and extend inter-regional collaborations to other territories and make of Europe a “Wonderland” for animation.

1.b) The SMART DIRECTORY

Once the WONDERLAND label application has been approved, A.L.I.C.E. will issue the applicant an access key to a **database** that we will call “Smart Directory” because it will be a smart tool for both producers (rights holders) and animation studios (service providers) allowing:

- on the one hand to the studios of the different territories wishing to display themselves as members of WONDERLAND and to highlight their skills in a very detailed way,
- on the other hand, international producers will be able to quickly and precisely identify studios that can carry out specific animation work. Then to identify the public support that it could benefit from by associating with a producer present in the territory/s of the studio/s selected.

It seemed essential in our approach to target **all actors in the animation production sectors**, because for the most part, they are likely, in turn, depending on the projects and their technical or financial maturity:

- to produce films or television series and/or new media,
- to be part of a project as producers (owners of intellectual property rights) or service providers (non-holders of intellectual property rights).

There are already numerous databases listing the resources of the animation sector in a more or less rigorous manner. **The interest of this new tool is that it will be a tool common to several territories** and that it will be filled by the animation studios themselves pushed in this approach by the fund or commission active in the territory where they are located. It will provide a synthetic and harmonized view of company information; it will be very detailed and will provide information tools such as excerpts from series and/or films on which the animation studios have previously worked.

>> **See Appendix 1:** summary note of the SMART DIRECTORY established by the A.L.I.C.E. working group "Financial and Legal Working Group" and detailing the contents and the tree structure of this database.

It should be noted that, even if the information is entered in the software by the studios, financial resources will have to be provided to the managers of this database to create the IT tool and maintain it technically in order to allow its permanent use by the actors of the territories labeled WONDERLAND.

In addition to the mechanisms of collaboration between the WONDERLAND territories listed above, we also propose to create a financial tool to assist in the preparation of film projects or animation series, which would be created between two territories labeled WONDERLAND.

2. THE FINANCIAL PREPARATION AID TOOL: WHITE MARKETING RABBIT

2.a) Objectives of the WHITE MARKETING RABBIT Preparation Aid

The underlying idea behind the "White Marketing Rabbit" Development Aid Financial Tool is to guarantee the employment of **talent during periods of low production** (e.g., between series) and help companies retain these talents during times when they may be financially fragile and have time to focus on developing new projects.

This mainly involves **financial support at the preparation stage of the project** (see Case-Study 1 above). This financial support is necessarily at risk for the regions since it comes at a time when the project is not funded. But development is also one of the riskiest steps for companies and the main moment at which (i) the company is likely to end its relationship of collaboration with talent and (ii) where talent is likely to leave the company for other assignments in other companies, regions or countries.

Development is a crucial stage in the life of an animation projects: it is the moment when the project is being built and where it is the most fragile; it is also the moment when collaborations between artists and companies are tested and set up, often for several years.

2.b) WHITE MARKETING RABBIT Preparation Assistance Guidelines

The arrangements for organizing financial support for development presuppose that the territory concerned has **a development fund at risk** and not only funds dedicated to direct support for audiovisual and/or film production. Indeed, there is a risk of non-repayment of the sums invested by the territories at the development stage of the projects.

We also recommend that:

- the **amount of funds allocated is significant** in order to contribute to really support the works; failing this, the desired objective (to maintain talent and create a stable employment base in the regions) will not be achieved,
- the **selection criteria for projects** are determined by the territories, taking into account elements which may seem contradictory: on the one hand, the obligation to be selective and to grant financial support to strong projects and companies in order to guarantee a good rate of repayment of the sums invested at risk by the territories, but on the other hand, the need to open up the market to new players who are not used to working together or who are less experienced. We therefore suggest that territories mix and match projects when they make their choices in order to spread the risk over several films or series.

Finally, we stress that it will be a tool that can be **transposed to other inter-regional collaborations**: when the Label shall be set up between A.L.I.C.E. founding members, it will be possible to apply it to other territories.

However, we recommend **limiting the WHITE MARKETING RABBIT to bilateral financial support between only two WONDERLAND territories** on one (or more) development(s) of animation works, so as not to multiply territories and stakeholders, and therefore, the risks inherent in this type of funding on a transboundary project.

2.c) Legal Structuring of WHITE MARKETING RABBIT Preparation Aid

We proposed to A.L.I.C.E. to create a financial tool to support the financing of animation projects entitled “WHITE MARKETING RABBIT” structured as follows:

- A **framework contract** between two WONDERLAND territories, describing how the Fund operates, its budget, duration, etc.
- to which would be annexed a **standard contract** to be concluded between the two WONDERLAND territories and the producer of the animation work detailing the obligations to be fulfilled (methods of allocating expenditure for a given project, reimbursement of funds, allocation between the 2 territories concerned, etc.)

This structuring would be **flexible because only contractual**. It would therefore not require the creation of a joint company, for example, which can be complex, costly and cumbersome to manage. It would also be **light**, easy to manage and **adaptable** to the different cases that could arise according to the constraints and needs of each territory, project or company. Costs would be low (costs of drafting the contract and possibly its amendments).

2.d) Proposal for contracts organizing the allocation of WHITE MARKETING RABBIT funding

We have established two draft contracts attached to this legal study. These contract proposals are a **basis which can of course be adapted to each case** according to the constraints and requirements of each territory (e.g.: signatory legal entity, cultural policy objectives of each territory, specificities of each project, applicable local economic and legal constraints, etc.). Each draft contract must therefore be the subject of negotiation and possible drafting adjustments, on a case-by-case basis, between the territories and with the beneficiaries of the WHITE MARKETING RABBIT preparation aid.

The purpose of the financial aid is to help support the animation works at its preparatory stage, as we said earlier, the preparation phase during which the work is the most financially fragile. The philosophy of the WHITE MARKETING RABBIT mechanism is an *investment* in the **development of the marketing presentation package** for an animation project in order to present this project to potential funding partners and facilitate co-productions.

FRAMEWORK AGREEMENT BETWEEN TWO WONDERLAND TERRITORIES

>> **See Appendix 2: Proposed Wonderland European Interterritorial Collaboration Contract**

This framework contract will be concluded between two WONDERLAND territories and will mainly provide for:

- the essential elements of the project: the target works (film, television or on demand / Feature films, series, short films), the parties to the contract (territories, studios), the list of elements (artistic, financial, legal, etc.) which must be submitted for a funding decision to be made,
- project selection criteria: call for projects, selection committee, selection criteria,
- the investment envelope allocated by the two territories over a given period (e.g. 1 year) for financial support for marketing presentation packages for animation works,

- the duration of the contract between the two territories (taking into account, of course, the possible repayment period of the territory's investment) and the arrangements for monitoring investments (monitoring committee),
- the terms of the producer's expenditures obligation in the territory and the terms of return on investment for the territories (co-ownership of the marketing package, mention of the credits of the work, reimbursement of the investment, etc.).

The objective of the territories is to put in place sustainable solutions, we invite you to note that, **to secure the interests of the territories as much as possible**, we have provided the following points:

- Particular attention should be paid to **maintaining a global balance of investments in the two WONDERLAND territories**: it will be necessary to prevent the fact that a territory is disadvantaged. It will therefore be important that the territories:
 - carry out a regular review of their investments (for example, following each call for tenders or two consecutive calls for tenders) to ensure that the projects of each of the two countries are supported in an equivalent manner and make it possible to create or maintain employment in the two countries as a whole;
 - each invest an identical minimum percentage (ex: 50%) of development expenditure in its territory.
- We have provided a payment schedule for the investment of the territories that makes it possible to secure the fact that (i) the **expenses are actually carried out by the producers in the territories** according to the terms initially planned and that (ii) the development of the project leads to a **viable project** (See Article 5 of the contract which provides for a first payment of 60 % upon signature of the contract with the producer and a second payment of 40 % upon obtaining a letter of commitment from a distributor for films or a development agreement with a broadcaster for series).
- Once the development is completed, the territories will commit to invest in the production of the work (see Article 9 of the contract which provides that producers must present their production project to the territories, which undertake to invest in the work at least 25 % of the production expenditure in the territory). This provision makes it possible to **support producers effectively and increases the structuring effect of the action of the territories on the long term**.

STANDARD CONTRACT BETWEEN THE TERRITORIES AND THE PRODUCER

>> See **Appendix 3: Proposed Global Contract for Artistic Development and Marketing**

This standard contract will be concluded between two WONDERLAND territories and an animation producer.

It will take up and detail the conditions provided for in the framework contract between the territories created and will provide in particular in addition:

- The expenditure obligations in the territories by the producer, who will undertake to collaborate up to a pre-agreed amount with a producer or studio in the other territory,
- Details of expenditure in the territories taken into account and eligible under the WHITE MARKETING RABBIT aid (for example, producer overheads and salaries will not be eligible),
- The terms and conditions for reimbursement/buy back/reinvestment of the financial contribution of the territories at the stage of the marketing package supported by WHITE MARKETING RABBIT.

We hope that our proposals will be welcomed by all the stakeholders of A.L.I.C.E. and that each will find in these proposals one or more elements of solution to enable them to improve the common working conditions of their talents and to increase the fruitful cooperation between numerous producers and animation studios of the territories A.L.I.C.E.

We are at your disposal for any further information.

Yours very much.

Claire SAINT-LAURENT
Catherine VERNON
Lawyers at the Court

APPENDIX 1 – Summary note of the SMART DIRECTORY prepared in consultation with our Firm by the Financial and Legal Working Group of A.L.I.C.E.

We drew inspiration from the nomenclature work carried out by Pro-A, the Slovak Ministry of Culture and the Puglia Region on animation professions and, after consultation with stakeholders, we propose a questionnaire that is extremely close to the reality on the ground. For each skill corresponding to each work step we submit to the studio a multiple choice: yes, no or interested. If the studio answers “yes”, it is asked to cite a production in which it exercised this competence as well as the internet link allowing it to discover an excerpt or a trailer of this production.

When the questionnaire is completely completed, we get a precise view of the skills gathered in this studio but also a kind of really significant line-up (unlike many studio CVs that launch prestigious film titles without specifying how they contributed...)

As soon as a substantial part of the studios announced in the description sheet previously completed by the applicant (for instance 80 % for the regions and 60% for the countries – *percentage to be determined by A.L.I.C.E.*), have completed the Smart Directory, A.L.I.C.E. awards to the territory that initiated it the label Wonderland and the authorization to mention this label in all its communication.

As far as possible, A.L.I.C.E. for its part, will encourage networking operations between the different labeled territories with the ultimate goal of connecting and multiplying the Wonderland in the European area.

Important note:

The mechanism described above involves an "A.L.I.C.E. " entity, which manages the Data Base and the "Wonderland" Label. As the whole mechanism will only be implemented, if it is attractive, after the publication of our White Paper and is called to be part of the duration, this implies that an A.L.I.C.E. structure extends beyond the Interreg Plan that will have served to create it. We must therefore already imagine the creation of a non-profit association that could be set up as part of a pilot project financed by the ERDF and perpetuated by the annual contributions of the labeled territories...

>> *next pages : PROPOSAL FOR THE CONTENT AND STRUCTURE OF THE SMART DIRECTORY DATABASE*



Alice's smart directory

Name and legal name of the animation studio						
Date of creation of the company						
Number of productions in progress last year						
Number of days/men worked						
Typical Production Types		LM <input type="checkbox"/>	TV <input type="checkbox"/>	Series <input type="checkbox"/>	Short <input type="checkbox"/>	Ride <input type="checkbox"/>
Mailing adress		Phone				
Street		City				
Code		Country				
Contact persons	Names	First Names	Email addresses			
Sales department						
Personnel Directorate						
Artistic Direction						

Competencies - 2D

2D Preproduction	Yes	No	Interest	If yes, cite a production where you exercised this skill
Graphic Bible	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Original title Link
Concept Art	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Original title Link
Screenplay	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Original title Link
Storyboarding	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Original title Link
Modelsheet design build	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Original title Link
2D Production	Yes	No	Interest	If yes, cite a production where you exercised this skill
Background Artist (Trace/Color)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Original title Link
Cut Out rigged production	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Original title Link
Rigging 2D characters	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Original title Link
Rigging 2D props	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Original title Link
Layout 2D posing - Box Animation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Original title Link
Compositing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Original title Link
2D PostProduction	Yes	No	Interest	If yes, cite a production where you exercised this skill
Sound	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Original title Link
Music	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Original title Link
Dubbing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Original title Link
Editing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Original title Link

Competencies - 3D

3D Preproduction	Yes	No	Interest	If yes, cite a production where you exercised this skill
Graphic Bible	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Original title Link
Concept Art	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Original title Link
Screenplay	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Original title Link
Storyboarding	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Original title Link
Modelsheet design build	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Original title Link
3D Production	Yes	No	Interest	If yes, cite a production where you exercised this skill
Sets modeling	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Original title Link
Sets textures	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Original title Link
Sets shading	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Original title Link
Matte painting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Original title Link
Characters modeling	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Original title Link
Characters texture	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Original title Link
Characters shading	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Original title Link
Props modeling	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Original title Link

Props texture	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Original title
				Link
Props shading	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Original title
				Link
Rigging 3D props	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Original title
				Link
Rigging 3D characters	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Original title
				Link
Layout 3D	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Original title
				Link
Previz	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Original title
				Link
Animation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Original title
				Link
Lighting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Original title
				Link
Compositing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Original title
				Link
Rendering	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Original title
				Link
3D PostProduction	Yes	No	Interest	If yes, cite a production where you exercised this skill
Sound	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Original title
				Link
Music	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Original title
				Link
Dubbing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Original title
				Link
Editing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Original title
				Link
Grading	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Original title
				Link

Controlled tools

2D Softwares	Yes	No	Interest
Toonboom Storyboard Pro	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Toonboom Harmony	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Animate (Flash)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
TVpaint	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Procreate	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
After Effects	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
OpentoonZ	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Moho	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Adobe Suite	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Krita	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

3D Softwares	Yes	No	Interest
Autodesk Maya	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Blender	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Studio Max	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Modo	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Unreal Engine	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Unity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Nuke	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Zbrush	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Substance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Rendering Softwares	Yes	No	Interest
Arnold	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mari	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Redshift	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Assets / Prod Manager Softwares	Yes	No	Interest
Shotgun	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Producer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kitsu	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Additional skills and tools

Cite skills and/or tools that would not have been suggested in the questionnaire and indicate a production for which you used it.

Appendix 2: Proposed Wonderland European Inter-Territorial Collaboration Contract

INTER-TERRITORIAL OR EUROPEAN COLLABORATION CONTRACT

**AND GENERAL RULES OF OPERATION OF THE
WONDERLAND MECHANISM**

Initiated in the framework of the European Interreg Plan A.L.I.C.E.

Decision n° xxxx of the xxx of xxxx 2021
[or references to the Association - or other]

EUROPEAN INTER-TERRITORIAL COLLABORATION CONTRACT

WONDERLAND

BETWEEN THE PARTIES :

[]

Hereinafter “**Territory 1**”

[]

Hereinafter “**Territory 2**”

Territories 1 and 2 are hereinafter designated the “**Parties**”.

THE FOLLOWING IS STATED BEFOREHAND :

This collaboration contract (“**Collaboration Contract**”) is one of the results of the initiatives and actions of INTERREG EUROPE and more specifically of the work of the interregional cooperation project entitled "Animation League for Increased Cooperation in Europe" (A.L.I.C.E.) - <https://interregeurope.eu/alice>

A.L.I.C.E., in the field of development and production of animation programs, aims at strengthening the European cooperation between the participating organizations through the exchange of good practices leading to an action plan: Wonderland.

Links to reference documents (INTERREG - A.L.I.C.E.) :

Considering it desirable to establish a framework for their investments in the development and production of animation works and more particularly for their European co-productions.

Aware of the contribution that quality co-productions can make to the development of the film industry and to the increase of economic and cultural exchanges in each of the Territories.

Recognizing that the A.L.I.C.E. Wonderland Project contributes to the promotion of cultural and economic cooperation can only contribute to the strengthening of relations between the European territories.

In full knowledge of the General Rules of Operation of the interterritorial European Wonderland mechanism, the Parties have agreed as follows:

IT IS AGREED AS FOLLOWS:

INTRODUCTORY ARTICLE: DEFINITIONS

The following terms shall have the present definition:

The “**Beneficiary(ies)**” are the producer(s) of Work(s), having their registered office in one of the Territories or at least in the country containing this territory - and provided that they have the quality of delegated producer.

The “**Work(s)**” or “**Project(s)**” means :

- Animated motion pictures
- Animated television works: single or series
- Animated audiovisual works: units or series intended for initial exploitation on an audiovisual media service on demand (“**SMAD**”).

The Selection Committee will select at least 2 *(two)*/~~X~~ Marketing Presentation Packages Projects (1 in each Territory), according to the following criteria:

a) Criterion of compliance with the General Rules/ Marketing Presentation Package

b) Artistic criterion: cultural test: the Project must meet at least 5 of the following 10 criteria:

- The Project deals mainly with social themes on current cultural, social or political aspects relevant to one or other of the Territories;
- The director and/or screenwriter is domiciled in the country of one or other of the Territories;
- The screenplay is an adaptation of an original literary work, is inspired by another culturally recognized creation, or is the original work of a screenwriter from either Territory;
- The screenplay is set primarily in one of the Territories;
- The Project's main theme is art and/or several artists;
- The Project is mainly about historical characters or events;
- One of the voice actors for the main roles or 3 of the secondary roles were born in one of the Territories;
- At least one of the main characters has a special connection with one or other of the Territories;
- The original script is essentially written and the characters speak one of the official or vernacular languages of one or other of the Territories;
- The Project contributes to the enhancement of the audiovisual heritage of one or other of the Territories;

The selection will be made within the following timeframe [] (the "**Period**"), starting from the Call for Projects, and the result of the selected Wonderland Works will be made known to the selected Beneficiaries by written notification from both Territories.

The Selection Committee will have to respect a certain balance between the selected Projects, with regard to the investments envisaged by each of the Territories and the expenses anticipated in each Territory.

A general balance must be achieved, both in terms of artistic and technical contributions, and financial contributions: this balance is assessed by the Monitoring Committee

For the implementation of this assessment, at the end of each Contract Period, the territories draw up a summary of all the Investments that have taken place and those to come.

The analysis of the general balance is done in particular:

- by counting the Investments common to both territories confirmed over the current Period, it being agreed that the assessment of this count is made with regard to the overall amount of the budgets of the said Works
- by counting the investments of one Territory, on the one hand, and the investments of the other Territory, on the other hand, in the Works co-produced more generally between the two territories.

In the event that an imbalance appears, the Territories shall examine the means of restoring the balance and shall take all the measures it deems necessary for this purpose.

1.3 Duration of the Selection Period - Duration of the Collaboration Agreement

The "**Investment Period**" shall begin on the date of the signature of this contract and shall continue until the announcement of the results of the selection. (Investment Period #1)

The Parties may decide to renew it by mutual agreement for one or more new Investment Period(s) (#2, #3 etc.).

The Parties agree that this Agreement shall continue for the duration of the development and exploitation of the Works to which the Territories have contributed.

1.4 Investment Envelope

For the Investment Period #1, considering the General Rules of the Wonderland mechanism, each of the Parties agrees to devote the following maximum investment budgets to the selected Wonderland Works

[]: €

ARTICLE 2 - INVESTMENTS AND COUNTERPARTS

2.1 Investment by the Territories

Depending on the selected Wonderland Works, the Territories will determine the final amounts that they respectively commit to invest in the development of each Work. This amount will not exceed the envelope set in 1.4 above but will not be less than a quarter of this amount.

A four-party global development contract ("the Global Development Contract") shall be concluded between Territories 1 and 2, the Studios and the Beneficiary concerned, for each Selected Work, on the basis of the standard model annexed hereto (ANNEX 3). This Global Development Contract shall set out the amounts invested by Territories 1 and 2, and the operating procedures and benefits and compensation granted to the Territories.

Nevertheless, the Parties already agree on the following terms and conditions:

- The White Rabbit Mechanism (i.e. the sum of the investment of the two Territories) will finance 50% (fifty percent) of the Marketing Presentation Package Budget. The remaining 50% will be financed by the Beneficiaries, alone or in co-production with the Studios.
- The investment of each Territory must represent at least 50% (fifty percent) of the development expenses incurred in each Territory.
- The Territories undertake to pay their respective investment in the following manner:
 - (i) For Series Projects (TV or SMAD) and TV or SMAD Singles:
60% (sixty percent) upon signature of the Global Development Contract and fulfillment of the related conditions precedent.
40% upon delivery to the Territories of a development agreement (dated and signed) with a broadcaster or SMAD platform.
 - (ii) For Motion Picture and Short Film Projects:
60% (sixty percent) upon signature of the Global Development Contract and fulfillment of the conditions precedent
40% upon submission to the Territories of a letter of commitment (dated and signed) from a financial third party (French or international distributor, audiovisual pre-sale, etc.) other than a producer or independent animation studio.

2.2 Counterparts of the Territories

As part of their investment in the Global Development Contract, the Beneficiary, shall finalize and hand over to the Territories, all the elements forming the Marketing Presentation Package, and necessary to complete the development of the work and put it into production:

- A graphic bible

- A literary bible
- A pilot
- The script of the work or of an episode (in case of a series)
- The synopsis of the episodes (in case of a series)
- The name of the director
- The authors' contracts relating to the chain of rights

Hereinafter the "**Deliverables**".

The Parties shall respectively co-own, under the Global Development Contract, a share of the tangible and intangible rights (including derivative rights, sequel rights, remake, etc.) as they are created: the Marketing Presentation package, (The Deliverables), then the development file once it is finalized, and this, within the limits of their investment in the development of the aforementioned work, related to its Budget.

The work must be presented on all media and by all means as a Project co-developed by the Territories with the following mentions which must appear on all marketing, sales, press and internal and external communication media:

[To be defined].

ARTICLE 3 - PRODUCTION OF THE WONDERLAND WORK

When at the end of the development phase, the Beneficiary will have:

- Provided proof that it has spent the amounts provided for in the Territories (by means of invoices or receipts)
- Secured and collected the proof of financing of the Project, up to :
30% (thirty percent) of the Production Budget, for feature films and short films
50% (fifty percent) of the Production Budget, for animated series and audiovisual units

The Beneficiary will submit (*may*) to the Selection Committee the Project, together with the elements useful to assess the production process (the "**Call for Production**"):

- The Production Budget
- The identity and proof of commitment of a third-party Producer whose head office or an establishment is located in the other Territory
- The Financing Plan
- Artistic elements (confirmation of voice casting if useful, authors, director, final scripts, etc.)
- CopyThe copy of at least one financing contract (first television broadcast or SMAD, or theatrical or international distribution for cinematographic works)
- RegistrationThe registration of the Project with the RCA (for French Projects - at least for cinematographic Works or audiovisual series with a budget of more than [] M €)

The Territories will assess the opportunity to invest an additional amount in the production of the work.

However, it is specified that the Territories are automatically obliged to invest in the financing of the production of the work if the following two conditions are met:

- If each of the Territories receives the Call for Production file in a concomitant calendar: the Beneficiaries must submit a production financing file to both Territories at the same time.
- If a minimum of 75% (seventy-five percent) of the "Image" production (counted in man-days) is spent with the Studios involved in the packaging phase. *In the event that the Beneficiaries wish to work with other studios not previously announced but located in the same territories, in this proportion of 75% or more, this change will have to be duly justified (quality of services, manufacturing cost and/or production workflow) to remain in the spirit of the collaboration between the two territories.*

This investment by the White Rabbit Mechanism (i.e., both territories) will represent a minimum of 25% (twenty-five percent) of the total sum of the planned production expenditure budgets in each territory for the production of the work.

A four-party global co-production contract (the “**Global Co-production Contract**”) based on the standard contracts of the two Territories concerned, will be concluded between Territory 1 and Territory 2, the Studios and the Beneficiary concerned, for each work put into production. This Global Co-production Contract will set out the amounts invested by Territories 1 and 2, and the operating procedures and benefits and counterparts granted to the Territories.

The Parties shall respectively be co-owners, under the Global Co-production Contract, of a share of the tangible and intangible rights (including derivative rights, sequel rights, remake, etc.) of the work, as well as of a share of the revenues generated by the work worldwide, without any time limit, and this, in the proportions of their investment in the production budget of the said work. This distribution includes either revenue sharing, or geographic sharing, or a combination of both formulas, taking into account the difference in volume between the markets of the signatory Territories.

ARTICLE 4 - MISCELLANEOUS - COMMUNICATION - MONITORING COMMITTEE

4.1. Monitoring Committee

A person responsible in each territory will have the mission of examining the conditions of application of this Contract, resolving possible difficulties and studying desirable modifications with a view to developing cinematographic cooperation in the common interest of the two Territories. A meeting between these two persons may be convened at the request of one of the Parties.

4.2. Non-transferability of the Contract

Each Territory acknowledges and agrees that the rights and obligations of each may not be transferred, assigned, pledged or encumbered in any manner whatsoever without the prior express consent of the other Territory.

4.3 Independence of the Territories

Each Party remains an independent legal entity, acting on its own behalf and under its own responsibility.

The Contract does not create any mandate of common interest, does not constitute an association, de facto or management company, or an induced employment contract, and does not create any relationship of dependence between the Parties or an implicit co-production agreement between the Territories.

4.4. This Agreement shall be held in strict confidence until such time as the Territories decide to communicate in a manner to be mutually agreed upon. Consequently, neither Party may disclose the existence and/or content of this Agreement, in whole or in part, without the express written consent of the other Party. Each Party shall be responsible for the respect of this obligation of confidentiality by its employees and/or agents.

4.5. Termination

In the event of non-performance by either Party of its obligations, the other Party shall have the right, after a formal notice has remained without effect within thirty (30) days of its first presentation, to consider this agreement terminated by operation of law to the detriment of the defaulting Party, subject to all damages.

ARTICLE 5 - JURISDICTION AND APPLICABLE LAW

The law applicable to this contract is the law of the country of the Territory where the Beneficiary lives.

In the absence of an amicable settlement, any dispute that may arise in connection with the interpretation or performance of this contract shall be submitted to the to the competent courts of the country of the Territory where the Beneficiary lives.

ARTICLE 6 - ELECTRONIC SIGNATURE

In accordance with Law n°2000-230 of 13 March 2000 adapting the law of evidence to information technologies and relating to electronic signatures and Decree 2017-1416 of 28 September 2017 relating to electronic signatures, the Parties expressly agree that this contract may be concluded in the form of an electronic writing. They agree to use a so-called "advanced" electronic signature process in accordance with Article 26 of Regulation (EU) No. 910/2014 of July 23, 2014, by means of a single-use electronic certificate and constituting a reliable identification process guaranteeing its link with the act to which it is attached, within the meaning of Article 1367 of the Civil Code.

The Parties declare that this writing constitutes the original of the document and that it will be drawn up and kept by them under conditions that will enable the signatories to be duly identified and guarantee its integrity. The Parties expressly agree not to contest the validity, admissibility, enforceability or probative value of the document on the basis of its electronic signature.

Consequently, the present contract signed electronically by the Parties is proof of the existence of the said contract and its contents, of the identity of the signatories and of their consent to the obligations and consequences of facts and rights arising therefrom.

Executed

on the [], in [] in 2 copies

Signatures:

Territory 1

Territory 2

APPENDIX 1

GENERAL RULES OF OPERATION OF THE INTERTERRITORIAL AND EUROPEAN MECHANISM

WONDERLAND

The present general rules (hereafter the "General Rules") have been declared to the European Commission.

They are available on the website:

These General Rules and the aids they govern are part of the provisions [] (hereafter "INTERREG EUROPE").

2 Objectives and brief description of the WONDERLAND mechanism

The objective of the Wonderland mechanism is to promote and multiply co-developments and co-productions of animated works between the different territories of Europe, with the aim of making Europe competitive in this field, in the face of American and Asian competition.

The objective is to encourage and facilitate co-developments and co-productions between Studios and Beneficiaries from different European Territories. The mechanism is based on two founding stages:

- A.L.I.C.E. will set up and edit an "A.L.I.C.E. smart Directory" allowing the concerned Territories to apply for membership, to obtain the Wonderland Label and to be listed among the Territories dedicated to the Wonderland mechanism, as well as to list the Studios present in these Territories;
- The Producers of works, present in the Territories, will be able to request an investment from the Territories, within the framework of the "White Rabbit Marketing Mechanism", more detailed below.

3 Steps:

- The Wonderland Label and the A.L.I.C.E. Smart Directory
- The White Marketing Rabbit
- Financial participation in the co-production of the Wonderland Work

3 The Wonderland Label and the A.L.I.C.E. Smart Directory

A.L.I.C.E. will create and publish a dedicated website (the "Wonderland Website"), intended for Territories, Studios and Beneficiaries, which will present the interface and the information and elements necessary for Territories to obtain the Wonderland Label (the "Wonderland Label").

Conditions for obtaining the Wonderland Label:

Each Territory will be strongly encouraged to open an application for the Wonderland Label, by submitting a questionnaire designed to collect certain essential information about the Territory, including:

- The directory of animation facilities in the Territory in question
- A complete list of Studios operating in the Territory

The Territory will then have to encourage the Studios present in the Territory to fill in and complete a detailed form, intended to inform the Wonderland Site about the Studios' capacities and means.

All the Studios once listed will form the "A.L.I.C.E. Smart Directory".

The Label will be granted to the Territory, once the forms are completed (100% - 80% ? or at least X Studios listed ? Who will verify? How is the Label confirmed to the Territory? mention on the Wonderland Website, mail?)

Rights and benefits of the Wonderland Label:

- Participation in step 2
- Communication
- Logo
- Others

APPENDIX 2:

MONITORING SCHEDULE

(To be completed for the following periods by adding a schedule)

Investment Period #1

Selected projects

Amounts invested

APPENDIX 3

STANDARD FORM OF GLOBAL ARTISTIC AND MARKETING DEVELOPMENT CONTRACT

**GLOBAL CONTRACT FOR ARTISTIC AND MARKETING DEVELOPMENT
AND MARKETING CONTRACT
UNDER THE WONDERLAND
REGIME
AS CONCEIVED BY THE INTERREG EUROPEAN PLAN
A.L.I.C.E.**

This contract (hereinafter the “**Contract**”) is part of the inter-territorial and European support mechanism entitled WONDERLAND and its purpose is to govern the granting of the investment by the Territories to the Producer, and the respective commitments of each of the Parties concerning the Work.

The Contract is composed of Special Conditions, General Conditions and appendixes, all of which form an integral part of the Contract.

SPECIAL CONDITIONS

1 – PARTIES

[]

Hereinafter the « Territory 1 »

ON THE ONE PART

AND

[]

Hereinafter the « Territory 2 »

ON THE SECOND PART

AND

COMPANY'S NAME – TYPE OF COMPANY – whose capital is XXX €, registered at the XXX Trade Registrar, under n° XXX, whose registered address is XXX – XXX street, in the country which Territory [1 OR 2] belongs to, represented by : M. / Mrs. XXX, as its []

Hereinafter the “**Producer**”,

ON THE THIRD PART

AND

COMPANY'S NAME – TYPE OF COMPANY – whose capital is XXX €, registered at the XXX Trade Registrar, under n° XXX, whose registered address is XXX – XXX street, represented by : M. / Mrs. XXX, as its []

Hereinafter the “**Studio**”

ON THE FOURTH PART

The Territories, the Beneficiary and the Studio are hereinafter designated a **Party** or, collectively, the **Parties**.

ARTICLE 2 – DEFINITION AND WORK'S CHARACTERISTICS

The Work's essential and determining characteristics are the following:

TITLE (provisory or definitive): XXX

TYPE OF WORK:

- CINEMATOGRAPHIC WORK SMAD SERIE SMAD SOLO PICTURE
 AUDIOVISUAL SERIE AUDIOVISUAL SOLO PICTURE

GENRE: ANIMATION

MAIN WRITERS (script, bible etc.)* : XXX

**mention of the graphic authors for animated works*

PREVISIONAL BUDGET OF THE PRESENTATION MARKETING PACKAGE

Total amount (€ Before Tax) : XXX

Including Territory 1 expenses (€ Before Tax): XXX

Including Territory 2 expenses (€ Before Tax): XXX

ORIGINAL VERSION LANGUAGE:

AMOUNT OF THE DEVELOPMENT CONTRIBUTION

Amount of the investment of Territory 1 (€ HT): XXX

Amount of the investment of Territory 2 (€ HT): XXX

It is specified that the second payment is conditional upon receipt of proof of expenditure for an amount corresponding to the territoriality modalities indicated below, and of the balance sheet validated by an accountant.

In particular, the following will be considered as supporting documents:

- contracts for the transfer of copyright, copyright notes;
- contracts or invoices relating to third parties involved in the artistic or technical development of the Work.

Each payment will be subject to a prior call for funds issued by the Producer to each of the Territories.

[Mention VAT if applicable according to inter-territorial tax conventions].

5.2 - USE OF THE INVESTMENT

5.2.1 Development of the work and Deliverables: the “Marketing Presentation Package”

The Investment granted shall be used exclusively to finance half of the expenses of the Marketing Presentation Package, which shall include the following development elements

- A graphic bible
- A literary bible
- A pilot
- The script of the work or of one episode (in case of a series)
- Synopses of the other episodes (in case of a series)
- The name of the director
- The authors' contracts relating to the chain of rights

The Parties have agreed on the following development schedule:

[]

5.2.2 Territorial involvement

The Investment granted by each of the Territories shall represent at least 50% of the "**Marketing Presentation Package Expenditure**" made in each Territory.

By Marketing Presentation Package expenses, it should be understood:

- Costs incurred in the search for co-producers, industrial and financial partners (creation of files, translation and subtitling work, preparation of estimates and financing plans);
- Costs of finalizing writing or creative work in order to finalize the deliverables;
- Costs of making a pilot episode and/or a teaser,
- And more broadly, the expenses incurred for the employment of technical and artistic collaborators (the costs and salaries of personnel hired for the above-mentioned purposes during the development phase of the Marketing Presentation Package).

The following are not considered Marketing Presentation Package expenses

- The general expenses of the line Producer
- The Producer's salary during the development phase of the Work
- The option or buy-out rights of an intellectual property if it is not from one of the territories.

The following in particular shall be considered as development expenses incurred in the Territory:

- sums paid to authors domiciled in the Territories;

- sums paid to any collaborator and/or any company or corporation participating in the Marketing Presentation Package of the Work domiciled and/or whose head office and/or subsidiary and/or branch is located in the Territory, only the development expenses made in these Territories being eligible.

Compliance with this territorial involvement criterion will be assessed at the time of the second payment of the Investment. To this end, the Producer will provide the Territories with a statement of development expenses incurred in the Territories and validated by an accounting document certified as accurate by the Producer. This statement must be accompanied by photocopies, certified to be true and in conformity with the originals, of all accounting elements justifying the commitment and payment of these development expenses in the Territories.

In the event that the Producer fails to comply with its commitments in terms of territorial involvement or communication of the elements referred to below, the instalments not yet paid will automatically cease to be due by the Territories, which will have the right to terminate this Contract, in accordance with Article 14 below.

ARTICLE 6 - CO-OWNERSHIP OF THE MARKETING PRESENTATION PACKAGE THEN OF THE DEVELOPMENT FILE OF THE WORK

In consideration of its respective investment, each of the Territories shall be the owner, ab initio and as they are created, of a share of the tangible and intangible rights attached to the Marketing Presentation Package, then to the final Development Elements of the Work referred to herein in proportion to the amount of the investment in relation to the Budget of the Marketing Presentation Package, then of the final development file.

GENERAL CONDITIONS

ARTICLE 7 – DURATION

The Agreement shall take effect on the date of its signature by the Parties and for the legal term of protection of the Work as provided for under French and foreign legislation and current or future international conventions, including any extensions that may be made to this term.

ARTICLE 8 - DEVELOPMENT PROCESS - OBLIGATIONS OF THE PRODUCER

- The Producer will be the line producer of the Work and, as such, will be responsible for the financial and artistic decisions made during the writing and development.
- The Producer guarantees to have hired a Studio as part of the Marketing Presentation Package, and to be able to justify a service contract signed with the said Studio. This contract must be communicated to the Territories, upon request.
- The Producer will open a specific bank account in the name of the Work and will manage the development account.
- The Producer shall negotiate, on behalf of the Parties, all the author's contracts remaining to be entered into for the acquisition of the rights or the development of the Work. Copies of these contracts shall be given to the Territories in the manner provided in Article 5.1 of the Special Conditions.
- The Territories must be informed in advance of any proposed development and writing agreement with a third-party partner. A copy of the agreement will be given to the Territories as soon as it is signed.
- The Producer will provide the Territories, **upon request**, with each new version of the Marketing Presentation Package, as soon as it is submitted by the authors on the dates stipulated in the authors' contracts.

ARTICLE 9 - FATE OF THE DEVELOPMENT

When at the end of the development phase, the Producer will have:

- Provided proof that it has spent the amounts provided for in the Territories (by means of invoices or receipts)
- Secured and collected proof of funding for the Project, up to :
 - 30% (thirty percent) of the Production Budget, for feature films and short films
 - 50% (fifty percent) of the Production Budget, for animated series and audiovisual solo pictures

The Producer may submit to the Selection Committee of each of the territories the Project of Work, accompanied by the elements useful to assess the production (the “**Call for Production**”):

- The Production Budget
- The identity and proof of commitment of a third-party Producer whose head office or an establishment is located in the other Territory
- The Financing Plan
- Artistic elements (confirmation of voice casting if useful, authors, director, final scripts, etc.)
- A copy of at least one financing contract (first television broadcast or SMAD, or theatrical or international distribution for cinematographic works)

- Registration of the Project with the RCA (for French Projects - at least for cinematographic Works or audiovisual series with a budget of more than [] M €)

The Territories will assess the opportunity to invest an additional amount in the production of the work. Moreover, it is specified that the Territories have the automatic obligation to cover 25% of the expenses agreed upon in their territories, in the financing of the production of the work in the hypothesis that the two following conditions are met:

- If each of the Territories receives the Call for Production file within a short timeframe: the Producer must submit a production financing file to both Territories at the same time.
- If a minimum of 75% (seventy-five percent) of the "Image" production (counted in man-days) is spent with the Studios involved in the packaging phase. *In the event that the Beneficiaries wish to work with other studios not previously announced but located in the same territories, in this proportion of 75% or more, this change will have to be duly justified (quality of services, manufacturing cost and/or production workflow) to remain in the spirit of the collaboration between the two territories.*

9.1 In the event that the Territories decide to participate in the production of the work:

This investment by the two signatory Territories hereto shall represent a minimum of 25% (twenty-five percent) of the total sum of the production expenditure budgets foreseen in each Territory for the production of the work. In this case, the sums invested by the Territories at the stage of the development of the Marketing Presentation Package of the Work will be added to the amount of the investment in production voted by the committee, in order to determine the overall share of ownership of the work attributed to the territories.

A four-party global co-production contract (the “**Global Co-production Contract**”) will be concluded between Territory 1 and Territory 2, the Studios and the Beneficiary concerned, for each work put into production. This Global Co-production Contract will set out the amounts invested by Territories 1 and 2, and the operating procedures and benefits and counterparts granted to the Territories.

The Parties shall respectively be co-owners, under the Global Co-production Contract, of a share of the tangible and intangible rights (including derivative rights, sequel rights, remake, etc.) of the work, as well as of a share of the revenues generated by the work worldwide, without any time limit, and this, in the proportions of their investment in the production budget of the said work. This distribution shall involve either revenue sharing, geographic sharing, or a combination of both formulas, taking into account the difference in volume between the markets of the Signatory Territories.

9.2 In the event that the work is actually produced but the Territories do not participate in the production of the work because :

- Either the Producer has applied for production assistance from the White Rabbit Mechanism, and the selection committee decides not to participate in the production of the Work for which it has financed a share of the development.
- Or the Producer has not requested production assistance for the Work.

in these two cases, in return for the Investments granted under this Contract, each of the Territories shall retain the tangible and intangible rights to which it is entitled under Article 6 of the Special Conditions. Each of the Territories shall also receive a percentage of the Net Producer's Revenue (NPR) generated by the exploitation of the Work, defined as follows:

Until each of the Territories recovers 110% (one hundred and ten percent) of its Investment:

- 20% (twenty percent) for the Territories (in proportion to their respective Investment),
- 80% (eighty percent) for the Producer (including all partners who have participated in the financing of the Work such as co-producers, broadcasters, service providers, authors, directors, producers, etc.).

The Net Producer Share Income (hereinafter "NPSI") is defined in the Appendix hereto [TO BE INCLUDED].

In addition, the Producer shall transmit to each of the Territories, the operating account for the Work no later than 90 (ninety) days from the end of each calendar semester during the two years following the first public communication

of the Work (either the theatrical release for a feature film, or the first broadcast by a television broadcasting service or audiovisual media on demand for series and single films), on July 31 and December 31 of each year, and then annually on December 31.

9.3 Transfer to a third party of rights to the Work during or at the end of its development.

In the event that the Producer wishes to transfer to a third party all the rights to the Work and/or renounce its status as Executive Producer of the Work, it must obtain the prior written consent of the Territories. In this case, each of the Territories will have the option of either demanding the immediate reimbursement of the entire investment paid to the Producer, at the latest on the day of the retrocession of the rights, or of accepting that the expenses and profits of this Agreement be retroceded to the third party who has transferred the rights to the Work. In this case, an amendment to this Agreement must be concluded between the Parties and the third-party assignee.

ARTICLE 10 - GUARANTEES AND COMMITMENTS OF THE PRODUCER

10.1 The Producer declares and guarantees that, to their knowledge, no litigation is pending or about to arise in connection with the Work.

10.2 The Producer declares that they own or control, on an exclusive basis, the rights necessary for the development of the Work.

10.3 The Producer warrants that all contracts signed and to be signed with authors and other rights holders comply and will comply with current legislation as well as with all obligations undertaken by the Producer hereunder.

10.4 The Producer undertakes to make the payments due to the authors and, more generally, to all the rights holders and financial partners of the Work (including any co-producer), in accordance with the provisions of the contracts signed and/or to be signed with each of them, so that the development of the Work is not interrupted or delayed by any default or delay in these payments.

The Producer shall immediately inform the Territories of any event likely to hinder the development of the Work. In particular, the Producer guarantees the Territories against any recourse or action that may be brought in any capacity by the authors or their successors in title, publishers, directors, artists and, in general, any person participating directly or indirectly in the development of the Work. The Producer also guarantees the Territories against any recourse or action by any person or organization which, although not having participated in the development of the Work, could assert any right whatsoever to the exploitation of the Work.

10.5 The Producer expressly agrees to use the investment of the Territories only for the purposes of developing the Work in accordance with the terms of this Agreement.

10.6 The Producer will act as line Producer and will assume the responsibilities arising therefrom. To this end, they shall take all measures for the development of the Work until its completion, acting exclusively in his/her own name and under his/her sole responsibility with respect to third parties. The Producer may therefore only enter into contracts with third parties in his personal name and without in any case and in any form whatsoever making it appear, with respect to said third parties, even indirectly, that the Territories are involved in the commitments entered into. The Producer shall be solely responsible for any overruns of the development estimate (Appendix 2).

10.7 Each of the Territories may in no way be held liable for commitments made to third parties, even if such commitments - in contravention of the foregoing - refer to this Contract, the liability of each of the Territories being strictly limited to the amount of the investments provided for in the Contract.

10.8 The Producer declares that they are duly authorized to pay the Territories the Net Proceeds to the Producer generated by the marketing of the Work put into production under the conditions provided for in the Contract. The Producer guarantees each of the Territories against any recourse, action or claim by a third party in this respect that may prevent the payment of the NPSI due to the Territories under the terms of the Contract. In the event of non-payment of said revenues, the Producer acknowledges that each of the Territories shall be entitled to take direct action against it for the purpose of recovering all revenues due under the Contract.

10.9 The Producer shall keep separate accounts in its books, at its head office address, of all operations relating to the development of the Work. These accounts shall be organized in such a manner that the transactions relating to the Work are distinguishable from the Producer's accounts as a whole and may be readily isolated, audited, controlled or reviewed by each of the Territories at the Producer's principal office during business hours, subject to 5 (five) business days' notice.

In the event that the aforementioned audit reveals an inaccuracy in the sums paid under the Agreement to the prejudice of the Territories, the Producer undertakes to reimburse the Territories without delay for the difference and the full cost of the audit.

Development expenses shall be invoiced specifically, to the exclusion of any arbitrary partial allocation of a global invoice.

All development expenses will be made via a bank account dedicated to the Work and to which the amount of the Investments will be paid, as will that of the other financiers of the development of the Work.

All of the commitments and guarantees of the Producer set forth above constitute an essential and determining condition of the willingness of each of the Territories to contract hereunder.

10.10 Aid Intensity

The Investment granted by the Territories pursuant to this Agreement is public aid.

In accordance with the applicable regulations, it shall be recalled that at the end of production, the total amount of public aid may not exceed 50% (fifty percent) of the final cost of the Work. Exceptions to this threshold may be granted on a case-by-case basis up to a limit of 60% for difficult works, including "low budget" works under the conditions set by European regulations.

As the above threshold is assessed with regard to all State aid granted to the Producer for the production of the Work, the latter undertakes to demonstrate the greatest transparency in this matter and to provide the Territories with all information relating to existing aid requested by the Producer.

The Producer undertakes that the 50% (fifty percent) threshold above will be respected at the end of the production, when the final production accounts (final overall estimate and final balance sheet of expenses) mentioned above are submitted. This condition is essential and determining of the commitment of the Territories to the present, and from which there can be no derogation.

ARTICLE 11 - PUBLICITY – GENERAL

In all cases, each of the Territories will be mentioned on all internal and external marketing and communication media intended to identify or present the Work.

If the Work is produced: each of the Territories will be mentioned in the opening and closing credits in the following manner:

"Developed Work TO BE COMPLETED".

Regardless of any agreements regarding the publicity of the corporate names and acronyms of the other co-producing companies and, unless otherwise specified in writing, in the credits, in the press kit, on posters and in any publicity, each of the Territories shall be mentioned under the same conditions as those adopted for the other financial partner(s), it being understood that whenever the name of one of the financiers of the Work appears, the name of "xxxx" must appear in identical characters (type, thickness, width and height), terms and locations.

In any event, opening and closing credits, advertisements and promotional materials shall be subject to the prior written approval of each of the Territories at least 15 (fifteen) days prior to their execution.

These clauses are applicable on all international markets, by any purchaser of rights in the world.

They are applicable to all media used to exploit or distribute the Work, whether known or unknown at this time.

They must also appear on all secondary adaptations, literary, graphic, discographic, videograms, etc., if the medium so permits.

The Producer assumes responsibility for the execution of these provisions for advertising done by himself or his distributors and undertakes to impose compliance on exhibitors.

The Producer authorizes each of the Territories, and all the partners of each of the Territories, to mention its participation and that of the Region in the development of the Work in all regional, national and international publicity, and on all media, the purpose of which is to highlight the activities of each of the Territories, in the development of cinematographic and audiovisual works, or the announcement of the theatrical release of films co-produced by each of the Territories.

ARTICLE 12 - RIGHT TO CONTROL THE TERRITORIES

Upon first request, the Producer shall be required to provide each of the Territories with any copy of contracts concluded with third parties, and more generally with any evidence or documents relating to the Work.

In addition, in accordance with the applicable Rules, the Producer must present a progress report on the Work, by means of a written situation of the development (artistic and financial) of the aided Work within 12 (twelve) months of the date of the Selection Committee's decision.

After the completion of each aided Work, the Producer must establish and transmit to each of the Territories the production account (final budget and financial plan), as well as a copy of the completed Work.

ARTICLE 13 - SECURITY AND DELEGATION

The Producer has not assigned or allowed to be assigned, and will not assign or allow to be assigned, any pledge, lien, security interest, assignment or pledge on the Works and their constituent parts that could prevent or hinder the proper exercise of the rights currently granted to each of the Territories.

ARTICLE 14 – TERMINATION

Generally, in the event of non-compliance by the Producer with any of its obligations under the Contract, and in particular those set out in Articles 8 and 11, and in the event of non-compliance with the stipulations of the Rules, this Contract shall be terminated at the initiative of each of the Territories, provided that each of the Territories has previously given the Producer formal notice by registered letter with acknowledgement of receipt, to terminate or repair the breach, and that this formal notice has remained, partially or totally, without effect for more than 15 (fifteen) days following the presentation of the registered letter with acknowledgement of receipt.

If this condition is met, each of the Territories shall be entitled to consider the Contract terminated as of right. In this case, the Producer shall be required to immediately reimburse each of the Territories for any amount paid, without prejudice to any claim for damages.

Similarly, in the event of the opening of collective proceedings against the Producer, or of a criminal conviction under one of the provisions of the General Tax Code against one of the Producer's managers, this Contract shall be terminated automatically at the request of each of the Territories.

In addition, without prejudice to any action for damages, the reimbursement of the investment will become immediately and automatically due in whole or in part in the event that the Producer, on its own initiative, decides to stop its production activity or if the supporting documents, information and documents provided by the Producer in support of its application for financing have been recognized as inaccurate, in whole or in part.

ARTICLE 15 - NON-ASSOCIATION

The Parties expressly agree that their collaboration in no way constitutes a company between them and, a fortiori, a general partnership. Therefore, they decide to submit the conditions of this collaboration to the sole provisions of this Agreement.

ARTICLE 16 – GDPR

The Parties undertake to comply with all the principles and obligations applicable to the data controller, as provided for by Regulation 2016/679/EU of 27 April 2016 on data protection ("GDPR") and the French Data Protection Act no. 78-17 of 6 January 1978 as amended in its current version ("LIL").

The Parties may be required to process, whether or not by automated means, personal data relating to natural persons or communicated by the latter, in connection with the conclusion and performance of this Agreement, as well as in the context of the management of their relations.

The personal data thus collected will be used primarily for the purposes of (i) managing the commercial relationship in accordance with the provisions of the Agreement, (ii) administrative management, for example: accounting management of invoicing, sending of statements of account, etc. (iii) compliance with the legal obligations of the Parties, in particular the payment of contributions to any organization in charge of social security contributions and taxes.

In accordance with the French Data Protection Act, the individuals concerned have the right to access their personal data and may also request that inaccurate, incomplete or outdated data be rectified, updated or deleted and may object, provided they can prove a legitimate reason, to the processing of their personal data. These rights may be exercised with the Parties. The natural persons concerned may not object to the processing of their personal data when such processing is necessary for the performance of the obligations contained in this Agreement.

Personal data shall be stored and retained by the Parties themselves and/or any subcontractor of their choice for the duration necessary for the strict performance of their obligations under this Agreement.

ARTICLE 17 – DISPUTES

Any dispute regarding the application or interpretation of the Agreement shall be subject to the laws of [] and the competent courts of [].

ARTICLE 18 - LIST OF APPENDIXES

TO BE DETAILED

Done in **XXX**, on **XXXXXXXXXX**

In **XX (XXX)** copies

Signatures preceded by the words "*Read and approved*"

The Producer

The Territory 1

The Territory 2

The Studio