

Terms of Trade

Northern Territory Government - Screen Territory



Acronyms	Full form
NT	Northern Territory
NTG	Northern Territory Government
VOD	Video on Demand

Contents

1. Introduction	5
1.1. Screen Territory Funding Programs	5
1.2. Application of Terms of Trade and Program Guidelines	5
2. General matters	6
2.1. Applicability	6
2.2. Definitions	6
2.3. Interpretation	8
2.4. Applicant eligibility	9
2.5. Project eligibility	10
2.6. Acting in Good Faith	11
2.7. Audit rights	11
2.8. Reporting and information Provision	11
2.9. COVID-19	11
2.10. Crediting the Northern Territory Government and Screen Territory	12
2.11. Indigenous content	12
3. Producer Contributions and Limits on Screen Territory Funding	12
3.1. Screen Territory Funding Limits	12
3.2. Producer Contributions	12
4. Terms of Funding and Gross Receipts	13
4.1. Grants for Production	13
4.2. Equity Investment for Production	13
4.3. Screen Territory development funding	14
4.4. Subordination	14
4.5. Screen rights	14
4.6. Recoupment	14
4.7. Official Co-Productions	14
4.8. Rushes	14
4.9. Contracting time frames	14
4.10. Insurances	15
5. Rights for development and production funding	15
5.1. Copyright and underlying rights	15
5.2. Sequels, spin offs and remakes	15
5.3. Other rights	16
6. Reversion	16
7. Northern Territory Spend	16
8. Completion Guarantee	17
9. Accessibility of Screen Content	17
9.1. NFSA rights	17

10. Delivery Items: Screen Territory, NFSA, Study Guide Provider	17
10.1. Deliverables to Screen Territory.....	17
10.2. Deliverables for the NFSA	18
10.3. Deliverables for the Study Guide Provider.....	18

1. Introduction

1.1. Screen Territory Funding Programs

The Northern Territory Government through its Screen Territory office is responsible for supporting, developing and promoting the screen industry in the Northern Territory (NT).

Screen Territory aims to be the partner of choice with stakeholders in the NT to enable a thriving and unique screen industry through advice, funding the development and production of screen content, and supporting industry placements, events and partnership activities.

Funding support is typically provided by way of grant or recoupable investment, depending on the type of project and program applied for.

Funding decisions are determined in accordance with these Terms of Trade, the applicable program guidelines, and available funding for the relevant program. Eligibility requirements apply to both applicants and projects for which funding is sought.

Through Screen Territory, the Northern Territory Government supports screen projects, screen businesses and people in order to:

- foster the development and production of distinctive and marketable Territory screen stories
- increase production levels by attracting production finance to the Northern Territory
- extend the creative and professional skills of Northern Territory screen practitioners
- provide opportunities for audiences and Northern Territory screen practitioners to engage with screen culture through targeted events and activities.

Funding is for Northern Territory individuals, organisations and companies, except in particular circumstances, where significant benefits to the Northern Territory can be demonstrated.

1.2. Application of Terms of Trade and Program Guidelines

Screen Territory's Terms of Trade, as set out in this document, broadly outline the core terms on which the office will transact its business. They apply to Screen Territory's eligibility requirements and funding support.

The Terms of Trade should be read in conjunction with the specific funding program guidelines. The range of Screen Territory's funding programs can be found at <https://screenterritory.nt.gov.au/funding/funding-available> .

Where there is inconsistency between the guidelines and these Terms of Trade, these Terms of Trade prevail.

Successful applicants are required to enter into a legally binding funding agreement with the Northern Territory of Australia through Screen Territory. Screen Territory reserves the right to vary its Terms of Trade or program guidelines at any time, to exercise its discretion to make exception under the Terms of Trade or guidelines in exceptional circumstances, and to terminate any program at any time.

These Terms of Trade and Screen Territory program guidelines must not be relied upon as an offer capable of acceptance by any person. In isolation, they do not create any form of contractual, quasi

contractual, restitutionary or promissory estoppel rights, or rights based on similar legal or equitable grounds, whether implied or otherwise.

Contracts entered into between the Northern Territory Government of Australia and applicants reflect both these Terms of Trade and the specific requirements relating to each program as set out in the program guidelines.

Where Screen Territory is referred to in this Terms of Trade, it shall be taken to mean the Northern Territory Government of Australia

2. General matters

This section applies to all Screen Territory funding programs.

2.1. Applicability

The Terms of Trade and program guidelines in effect at the time an application is received by Screen Territory apply to the application.

2.2. Definitions

In the following provisions:

- (a) **Broadcaster** means a company providing television broadcasting services in Australia, including subscription television services, under the Broadcasting Services Act 1992 (Cth)
- (b) **Cashflow** means any funds provided to meet the day-to-day costs of production by an investor, producer, distributor, broadcaster or lender during production.
- (c) **Chain of Title** means the documentation (including any option agreements, extension of option agreements, writers' agreements, quitclaim deeds and co-development agreements) establishing the producer's ownership of the rights to produce and exploit the funded project. Copyright assignments and licences relating to the script form part of the Chain of Title.
- (d) **Collection Account Manager or CAM** means the independent organisation appointed to:
 - (i) collect any international licence fees, distribution advances, and other similar fees directly from the sales agent's sub-licensees;
 - (ii) manage the collections account;
 - (iii) pay the sales agent's commissions and expenses; and
 - (iv) distribute remaining gross receipts as per the recoupment or disbursement schedule in the production and investment agreement for the project, any other funding agreement, or interparty agreement as applicable.
- (e) **Completion Guarantor** means someone that will guarantee or bond the project, for either a flat fee (in the case of most documentaries) or a percentage of the below-the-line budget of a project. The Completion Guarantor will meet budget overages to ensure that the project is completed and delivered.
- (f) **Genuine Co-Production** means a genuine co-production relationship with a Northern Territory company evidenced by both co-producers sharing creative involvement, copyright and profit

entitlements on a pro rata basis and sharing credit entitlements by way of a shared card and where the Northern Territory producer sits “Above The Line”. Variations may be considered in exceptional circumstances.

- (g) **Gross Receipts** means all revenue from sales of a project and receipts from exploiting ancillary and other underlying rights, any claims relating to the project and its underlying rights, statutory licences under the Copyright Act and interest on the collections account.
- (h) **Key Creatives** means a writer, director or producer on the project.
- (i) **Major Territory** means each of Australia, North America (as one territory), USA, China, Europe (as one territory excluding the United Kingdom), United Kingdom, Italy, France, Spain, Scandinavia as one territory, Germany, Japan, and the world as one territory including or excluding Australia.
- (j) **Non-Offset Project** means a project for which the producer is not eligible to claim the Producer Offset for any reason, including, ineligibility due to budget, qualifying expenditure or format.
- (k) **Northern Territory Resident** means a person who is lawfully domiciled in the Northern Territory, and who has actually been in the Northern Territory, continuously or intermittently, during more than one half of the year immediately preceding the application, and is registered on the Northern Territory electoral role. Exemptions may apply where an individual can demonstrate a strong Northern Territory background or ongoing relationship to the Northern Territory.
- (l) **Northern Territory Company** means a company registered under the Corporations Act that has:
 - (i) its principal place of business in Northern Territory; and
 - (ii) at least 50% beneficial ownership by Northern Territory Residents.

Exemptions may apply where the company can demonstrate a strong track record and commitment to the Northern Territory industry over a minimum two-year period. Screen Territory also reserves the right to make further exemptions in cases where there are exceptional benefits for the local industry.

- (m) **Official Co-Production** means a production between at least two countries officially approved under a treaty or another government or quasi-government arrangement (including a Memorandum of Understanding (**MOU**)) that comply with Screen Australia International Co-Production Guidelines.
- (n) **Production Report** means a delivery item for all Screen Territory production finance projects containing information about the shoot, locations, employment, post-production and markets. This information is used to inform government, industry and the greater community about the Northern Territory screen industry.
- (o) **Producer Offset Project** means a project that meets the budget, qualifying expenditure and format requirements of the Producer Offset.
- (p) **Producer Offset** means the refundable tax-offset for Australian expenditure in making an Australian film. It is available to eligible feature films at 40% of Qualifying Australian Production Expenditure (**QAPE**) and for certain eligible formats other than feature films at 20% of QAPE, as set out in the Income Tax Assessment Act 1997 (**ITAA 1997**). Screen Australia is

the film authority for the purposes of the ITAA 1997 and administers the Producer Offset scheme.

- (q) **Recoupment Structure** means an outline of the recoupment arrangements, including the stages of recoupment, percentages due to investors, and the net profit entitlements.
- (r) **Related Entity** in the context of clause 5.2, means a related body corporate of the producer or any corporation of which the producer is a director.
- (s) **Related Party** means:
 - (i) a director or other officer of an applicant company;
 - (ii) the holding company or a subsidiary of an applicant company;
 - (iii) any company of which an applicant is a director or other officer; or
 - (iv) any other company of which an applicant's director or other officer is also a director or other officer.
- (t) **Underlying Rights** means the bundle of rights to be acquired to lawfully produce and commercially exploit the project. For example, Underlying Rights include the rights in relation to the novel or play on which a film script is based.
- (u) **Unrelated Production Company** In the context of clause 5.2, means an entity that is not the producer or a Related Entity of the producer.

2.3. Interpretation

In these Terms of Trade, unless the context clearly indicates otherwise:

- (a) a reference to **these Terms of Trade** or another document means these terms or that other document and any document which varies, supplements, replaces, assigns or novates these Terms of Trade or that other document;
- (b) a reference to **legislation** or a **legislative provision** includes any statutory modification or re-enactment of, or legislative provision substituted for, and any subordinate legislation issued under that legislation or legislative provision;
- (c) a reference to a **body** or **authority** which ceases to exist is a reference to either a body or authority that the parties agree to substitute for the named body or authority, or failing agreement, to a body or authority having substantially the same objects as the named body or authority;
- (d) a reference to **producer** means the party responsible for the finances and management of a project who is listed as an "above the line" expense within the project budget;
- (e) a reference to a **project** means a screen project, and includes a screen project for which Screen Territory funding is sought;
- (f) a reference to a **person** includes a natural person, corporation, statutory corporation, partnership, the Crown and any other organisation or legal entity;
- (g) a reference to a **natural person** includes their personal representatives, successors and permitted assigns;

- (h) a reference to a **corporation** includes its successors and permitted assigns;
- (i) **including** and **includes** are not words of limitation;
- (j) **monetary amounts** are expressed in Australian dollars.

2.4. Applicant eligibility

- (a) The following paragraphs set out eligibility provisions specific to individual applicants and company applicants, and then common eligibility rules applicable to both individuals and companies (and, to the extent indicated, to related parties). It should be noted that the eligibility rules will also apply to the contracting entity (if different from the original applicant), including any special purpose rights holding or production services companies.
- (b) An individual applicant must:
 - (i) be an Australian citizen;
 - (iii) be a Northern Territory resident;
 - (iv) have legal capacity;
 - (v) not be enrolled as a full-time student at a film school or similar tertiary film, television or interactive digital media course. Applications from part-time students will be assessed on a case-by-case basis;
 - (vi) not be an employee of the Northern Territory Government where there is a conflict of interest;
 - (vii) not be active in the capacity of a trustee of a trust; and
 - (viii) not be an employee of a broadcaster or commissioning platform (such as a VOD service).
- (c) An applicant that is a company must:
 - (i) be a Northern Territory Company except where indicated in the guidelines for a specific program (a Northern Territory company may also apply on behalf of a Genuine Co-Production between it and a non-NT company);
 - (ii) in the case of applicants seeking development or production funding, be a company active in the film, TV or interactive media business;
 - (iii) not be a broadcaster;
 - (iv) not be a holding company or subsidiary of a broadcaster;
 - (v) not be jointly owned by one or more companies referred to in (ii) or (iv); and
 - (vi) not be acting in the capacity of a trustee for a trust.
- (d) All applicants must:
 - (i) not, in the opinion of Screen Territory, be in default or breach of any obligation under any arrangement they have with Screen Territory, or any of Screen Territory's predecessors, or other Northern Territory Government agencies, either as an individual applicant or in association with any company or entity, including in relation to acquittals

of previous funding. This requirement also applies to the Key Creatives included in the application;

- (ix) always act in good faith in all their dealings with Screen Territory (see clause 2.6);
- (x) have the capacity and resources to carry out the project that is the subject of the application;
- (xi) have the right to carry out the project that is the subject of the application (including any relevant copyright or clearances);
- (xii) have meaningful financial and creative control of the project that is the subject of the application;
- (xiii) demonstrate that their application is consistent with the purpose of the program applied to, and meets the program's guidelines; and
- (xiv) where the application is based on an underlying work, must hold an appropriate option over that work.

2.5. Project eligibility

- (a) Applicants must demonstrate that their project is an Official Co-Production or has significant Australian content. Screen Territory will take into account the project's stage of development.
- (b) In some circumstances, Screen Territory may fund projects that do not meet the Producer Offset budget eligibility requirements. Screen Territory will determine at its discretion whether an applicant must apply for provisional Producer Offset certification to demonstrate it will comply with eligibility requirements.
- (c) The following are not eligible for funding and will not be accepted by Screen Territory:
 - (i) late or incomplete applications;
 - (ii) applications for retrospective investment;
 - (iii) applications that have previously been rejected that have been through the Screen Territory assessment process, unless the application is substantially reworked (as determined by Screen Territory);
 - (iv) applications for projects that have been declined three times;
 - (v) applications from applicants who have simultaneous or outstanding projects in development that, in Screen Territory's opinion, may impact the project's quality or delivery time;
 - (vi) commercial or corporate videos and advertisements;
 - (vii) sport, current affairs or news;
 - (viii) educational programs;
 - (ix) infotainment, lifestyle, travel, 'how to' or other magazine-style programs;
 - (x) the purchase of capital works or equipment; and
 - (xi) the publication costs of journals, books or magazines.

2.6. Acting in Good Faith

- (a) Screen Territory acts in the public interest and must exhibit the highest levels of propriety in its dealings with applicants. Screen Territory requires applicants to act in the same way in their dealings with Screen Territory. Applicants must be open and honest in all dealings with Screen Territory and comply with requests to provide information in relation to their applications. They must not mislead or deceive Screen Territory by any act or omission.
- (b) Communications between applicants and Screen Territory staff should be courteous and respectful. Screen Territory may not accept applications for funding where Screen Territory forms the view that an applicant persistently treats Screen Territory personnel in a hurtful, disrespectful, harassing, vexatious or intimidating fashion, nor will Screen Territory correspond with any such person.
- (c) Screen Territory expects all successful applicants to act fairly and reasonably to all third parties involved in their project. Fairness and reasonableness includes:
 - (i) paying at least the award minimum rates or, where applicable, any minimum agreed between the relevant guilds, for all work performed by third parties on their project, including Key Creatives, cast and crew; and
 - (ii) respecting the rights of all relevant persons, whether those rights are copyright or other intellectual property rights, moral rights or Indigenous rights.

2.7. Audit rights

- (a) Recipients of funding must provide an independent audit report to Screen Territory in relation to expenditure of Screen Territory funds. The audit report must confirm the actual eligible dollar amount spent in the Northern Territory and refer to the Territory Spend, as defined at Clause 7 of these Terms of Trade.
- (b) Where an independent audit report is not required, Screen Territory may require the funding recipient to provide a statutory declaration confirming they have complied with the contracted eligible Territory Spend.
- (c) At its discretion, Screen Northern Territory may also carry out an audit of the expenditure of its funding support to ensure compliance with contract requirements.

2.8. Reporting and information Provision

- (a) Funding recipients must provide Screen Territory information about the funded project or activity for the purposes of Screen Territory's strategy and research function. Reports and deliverables vary from project to project. You may need to provide items such as reports and break downs of expenditures.

2.9. COVID-19

The producer and the production company before commencing production must:

- (a) Provide to Screen Territory a COVID-19 Plan for approval and comply with the approved COVID-19 Plan;

- (b) Make themselves aware of and comply with all applicable law and government and industry directions and guidance relating to COVID-19, including in relation to the health and safety of workers, business continuity plans, insurance coverage and travel arrangements; and
- (c) Make themselves aware of and comply with the COVID-Safe Sustainability Guidance advice; and
- (d) Use all reasonable efforts to mitigate costs that may arise from or are connected to COVID-19 including (to the extent permitted by applicable law and industrial instruments) in relation to contracts with cast, crew and any other third parties.

2.10. Crediting the Northern Territory Government and Screen Territory

Recipients of Screen Territory funding are required to credit the Northern Territory Government and Screen Territory on the terms set out in the signed funding agreement. Credit requirements vary according to the nature of the support.

2.11. Indigenous content

- (a) Where there is Indigenous content or participation in any project, Screen Territory requires that the applicant complies with Screen Australia's protocols, including those relating to the treatment of 'Indigenous Cultural and Intellectual Property' rights. Evidence of consultation and consent appropriate to the relevant stage of production must be submitted as part of your application materials. For further requirements refer to Pathways & Protocols: A filmmaker's guide to working with Indigenous people, culture and concepts, available online from Screen Australia, or in hard copy from Screen Territory.
- (b) Where there is Indigenous content in a project, the producer is also required to engage a recognised Northern Territory Aboriginal consultant at both development and production stages. The consultant must:
 - (i) be recognised as Australian Aboriginal or Torres Strait Islander descent;
 - (ii) identify as being of Aboriginal or Torres Strait Islander descent; and
 - (iii) be accepted as Aboriginal or Torres Strait Islander by the community in which they live or have lived.
 - (iv) be remunerated for any work undertaken
- (c) Where there is a requirement to develop content on Aboriginal land, the producer is required to demonstrate relevant permits have been issued.

3. Producer Contributions and Limits on Screen Territory Funding

3.1. Screen Territory Funding Limits

For each project funded through Screen Territory, there are funding limits. The program guidelines outline the applicable limits, which will be confirmed in the final funding agreement.

3.2. Producer Contributions

The producer must make a contribution towards the production budget for Producer Offset Projects.

For Producer Offset Projects, the producer contribution must be at least 90% of the projected value of the Producer Offset for feature films and television, and at least 85% of the projected value of the Producer Offset for documentaries. The proportion of the Producer Offset that becomes a contribution to the production budget is deemed the producer's equity in the project (in addition to any other producer-contributed equity).

If the producer plans to Cashflow the Producer Offset's value into the production, documentation evidencing that the funds are available and any loan agreement outlining any fees or interest to be charged to the production (with evidence that all associated fees and charges have been included in the budget) must be provided to Screen Territory.

In relation to Official Co-Productions, the above provisions apply only to the Australian components of budget and revenue and the Australian producer.

4. Terms of Funding and Gross Receipts

4.1. Grants for Production

Subject to the funding Agreement, Screen Territory may provide production funding as a grant where Screen Territory's total contribution is \$80 000 or less (including any development funds) and where Screen Australia also contracts its contribution as a grant. Screen Territory may take an equity position on investments over \$100 000 on a case by case basis.

Screen Territory does not take a share of copyright or receipts in productions that it funds under grants. Funding provided under a grant does not have to be repaid except:

- (a) where the producer breaches an agreement with Screen Territory;
- (b) where not all of the grant is required; or
- (c) where further funding is provided by way of a recoupable investment (equity) in relation to the same project.

4.2. Equity Investment for Production

- (a) Screen Territory production funding over \$100 000 may be provided as a recoupable equity investment on a case by case basis and where Screen Territory determines there is demonstrated market value.
- (b) In the case of production funding provided as a recoupable equity investment, Screen Territory requires an initial entitlement to participate in gross receipts proportionate with its investment. Screen Territory will determine the Recoupment Structure for a project on a case-by-case basis taking into account Screen Territory's investment and other equity and non-equity investment.
- (c) If a producer's related entity financially contributes to the budget, the agreement must be on an arm's length basis and on standard market terms.
- (d) Producers will receive the recoupment position as associated with their equity.
- (e) After all Screen Territory's equity investment is repaid to Screen Territory, the producer will have a profit share of 50% in the project. All equity investors (including the producer in relation

to the Producer Offset equity and any other producer equity) will then share the remaining 50% pro rata, pari passu.

4.3. Screen Territory development funding

If Screen Territory provides a project development grant funding:

- (a) where that project proceeds to production with further Screen Territory funding, the previous funding must be incorporated in the production budget as an above-the-line cost. The previous funding will be part of Screen Territory's total project investment.
- (b) where the project proceeds to production without further Screen Territory funding, the producer may be required to repay the development funding to Screen Territory, including in order to purchase any copyright held by Screen Territory (as outlined in clause 5.1 below).

4.4. Subordination

- (a) Screen Territory generally will not subordinate its recoupment right to any other equity investor. Screen Territory will participate in gross receipts Pro Rata and Pari Passu with other equity investors.
- (b) Screen Territory seeks to support producers who secure private investment. It therefore reserves its right to review its position in relation to private investment recoupment on a case-by-case basis.

4.5. Screen rights

Screen rights revenue is not required to form part of Screen Territory's gross receipts.

4.6. Recoupment

The producer is ultimately responsible for collecting and disbursing all gross receipts. Unless otherwise agreed, a Collection Account Manager must be appointed for feature films for all territories other than Australia and New Zealand. A third party is not required to be appointed to disburse gross receipts generated in Australia and New Zealand.

4.7. Official Co-Productions

In relation to Official Co-Productions, the above provisions in this clause apply only to the Australian components of budget and revenue and only to the Australian producer.

4.8. Rushes

Screen Territory may request that the producer deliver to Screen Territory rushes from a project each day during the project's first week of principal photography, and weekly thereafter.

4.9. Contracting time frames

- (a) Successful applicants will be required to execute and return the funding agreement within 30 days of receiving the funding agreement from Screen Territory. Where an applicant does not execute and return the funding agreement within this timeframe, Screen Territory will not be

obliged to proceed with funding and may retract any offer of funding under the funding agreement. In the event that there are multiple parties to a funding agreement Screen Territory acknowledges that there may be delays and will not unreasonably retract any offer of funding under the funding agreement.

- (b) Unless otherwise agreed, successful applicants for production funding must commence contracting within three months of the date of funding application approval, to complete contracting within six months of the approval date and to draw down all funds within a further twelve months.

4.10. Insurances

Unless otherwise agreed by Screen Territory, the production company must take out and maintain the following insurance:

- (i) public liability (not less than \$20 million);
- (ii) workers' compensation insurance;
- (iii) negative all-risks insurance;
- (iv) multi-risk insurance.

Together with any other insurances that the investors might reasonably require, having regard to the production's nature.

5. Rights for development and production funding

5.1. Copyright and underlying rights

- (a) The producer must have, or be in a position to acquire on appropriate terms, an assignment of all underlying rights needed to make and exploit the project and any sequels, spinoffs or remakes.
- (b) In the case of production funding, the producer must provide a satisfactory Chain of Title opinion letter from an appropriately qualified solicitor. A Chain of Title opinion letter may also be requested by and provided to Screen Territory in relation to development funding where the Chain of Title is particularly complex or where Screen Territory determines there are exceptional circumstances.
- (c) Where Screen Territory provides a recoupable investment for any project, Screen Territory must have a 1% copyright interest, for the duration of that project's copyright.
- (d) The balance of copyright is to be owned by the producer. The producer may grant a portion of its copyright to other equity investors but not to non-equity investors. Producers may only assign their copyright in a project to another party where Screen Territory has provided prior written approval.

5.2. Sequels, spin offs and remakes

Where Screen Territory provides recoupable funding (regardless of the licensing entity's identity) and where Screen Australia is not an investor, Screen Territory has a right of prior approval for every agreement granting a licence (or an option to acquire a licence) to make a sequel (including a project

based on the format of the original project), spin-off, or remake (including a program based on the format of the original program).

5.3. Other rights

In addition, Screen Territory has the following rights:

- (a) the right to use the project and promotional materials for corporate and promotional purposes, including for research, reporting any activity that promotes the government's support for the screen industries and promoting the Territory film, television and digital media industries;
- (b) Screen Territory's rights in subclause (a) extend to using excerpts of the project online, including on the Screen Territory website as further described in the funding agreement;
- (c) rights of approval or meaningful consultation rights as outlined in the project's funding agreement;
- (d) in the case of recoupable production funding of TV drama and feature films (where Screen Australia is not providing equity investment), prior approval over any Major Territory deal; and
- (e) in the case of recoupable production funding of feature films only (where Screen Australia is not providing equity investment), prior approval of any non-Major Territory deal which is under the approved take price for the relevant territory, in the sales agency agreement.

6. Reversion

- (a) Screen Territory has a right to sell or revert its entitlement to gross receipts to a producer or third party at any time following the earlier of the following dates:
 - (i) the date of the first theatrical screening, broadcast or other communication of the project to the public in a Major Territory; or
 - (ii) the date of the first disbursement of gross receipts derived from marketing the project.
- (b) Where Screen Territory seeks a reversion under sub-clause (a):
 - (i) Screen Territory will retain a 1% copyright share in the project;
 - (ii) the producer will provide annual reporting on sales and exploitation of the project for the purposes of Screen Territory research and analysis; and
 - (iii) the producer must provide any reports which are outstanding under the relevant funding agreement and Screen Territory will be paid any Gross Receipts which are outstanding up to the date on which reversion takes effect.
- (c) Following reversion, any Disbursement Administration Service Agreement in place will terminate. Subject to any relevant continuing agreement, the producer will be responsible for disbursing gross receipts to any other investor who holds an ongoing interest in the project after the Screen Territory reversion.

7. Northern Territory Spend

Where Screen Territory provides funding, the eligible Territory Spend will be stated in the funding agreement as both a dollar amount and as a percentage of the budgeted cost. These amounts are

determined at the time of application and are a contractual obligation under the applicable funding agreement. The producer must provide an audited statement of Territory Spend as part of any required final audit or otherwise provide a statutory declaration of Territory Spend, together with any Production Report required at final delivery.

In this clause, Territory Spend means the consideration paid for services provided by and invoiced by a Territory-based contractor or supplier, and excludes any application fees for the Producer Offset, screen agency administration fees, Screen Producers Australia fees and financing costs (administration and interest), if applicable.

8. Completion Guarantee

- (a) Film and television projects that receive Screen Territory production finance must appoint a Completion Guarantor, unless Screen Territory provides a waiver of completion guarantee.
- (b) Applicants may submit a request in writing at the time of application to waive the requirement in subsection (a). Screen Territory will consider such requests on a case-by-case basis and will take into account the experience and track record of the producer, the nature of the project and the risk of completion of the project, when making a decision to provide a waiver of completion guarantee.
- (c) Unless otherwise agreed, a Completion Guarantor is not required for a documentary, a multiplatform project or a low-budget (being a Non-Offset Project) feature film or TV drama, or for post-production (completion) funding.

9. Accessibility of Screen Content

- (a) Feature films, for cinemas and DVD, funded by Screen Territory must be captioned and audio described to ensure the hearing or visually impaired have access. The producer will need to budget for these requirements.
- (b) Feature film producers must use their reasonable endeavours to ensure all Australian distribution agreements require access for the hearing and visually impaired through captioned and audio-described theatrical screenings and DVDs.

9.1. NFSA rights

In the case of all funded film and television projects, the producer must enter a delivery deed with the National Film and Sound Archive (**NFSA**), under which the producer agrees to deliver certain items to the NFSA (**Delivery Deed**).

10. Delivery Items: Screen Territory, NFSA, Study Guide Provider

10.1. Deliverables to Screen Territory

- (a) As a funding condition, the producer must deliver the materials in the funding agreement.
- (b) Screen Territory deliverables are to be included in the project budget.

- (c) If a producer wishes to substitute DVD deliverables with alternative access (for example, online screeners), Screen Territory must have continued access to the project from the time of the DVD milestone payment.
- (d) Screen Territory must be provided with a DVD on request, and no later than first release within the home entertainment window anywhere in the world.

10.2. Deliverables for the NFSA

- (a) In the case of all funded film and television projects, any materials specified in the Delivery Deed between the producer and the NFSA must be delivered directly to the NFSA at the completed resolution and best quality available.
- (b) NFSA deliverables must be included in the project budget.

10.3. Deliverables for the Study Guide Provider

- (a) Where the project is a documentary, the producer must provide a study guide publisher approved by Screen Territory with three DVDs of the finished project, a post-production script, and an electronic press kit and written publicity pack.
- (b) The cost of the study guide must be included in the production budget as a line item of \$2,750. If the publisher decides not to create a study guide, it may apply the \$2,750 to marketing expenses.