

FUND FOR LARGE BUDGET PRODUCTION

INFORMATION SHEET

CYCLE 2023

Republic of the Philippines
Office of the President
FILM DEVELOPMENT COUNCIL OF THE PHILIPPINES

CREATEPHFILMS
Fund for Large Budget Production

INFORMATION SHEET
(Cycle 2023)

The CreatePHFilms Fund for Large Budget Production is a selective and non-recoupable fund of Three to Five Million Pesos (P 3,000,000.00 to P 5,000,000.00) for the production of Filipino films with an overall production budget of at least Fifteen Million Pesos (P 15,000,000.00).

This document details the information and requirements you need to know once your Project has been SELECTED to receive the Fund.

This must be read in conjunction with the *Fund for Large Budget Production General Guidelines*.

A. When will I get the Fund?

Upon the notification of your selection, FDCP will be providing you with a Memorandum of Agreement (MOA) for the grant of Fund for your Project and will be conducting a meeting with you to discuss the terms and requirements. The MOA for the Fund is a legally binding document and it is important that you read it carefully before you sign it.

The payment of the Fund shall be made in three (3) installments. You may request for the first sixty percent (60%) of the Fund at least two (2) months before the confirmed first day of the principal photography of the film, upon submission of all of the following documentary proof:

- a. Cover letter (*Template provided*)
- b. Production schedule (with confirmed locations)
- c. Detailed updated production budget
- d. Signed contracts with the above-the-line staff (director, producer, cinematographer, editor, production designer) and principal cast
- e. List of cast and crew
- f. Insurance policy for cast and crew, and public liability insurance
- g. If available, proof of financing (guarantee letter from financier or bank)

You will receive the payment of the next twenty percent (20%) of the Fund within sixty (60) days, upon the approval of the Final Report which requires the submission of the following:

- a. CreatePHFilms Large Budget Production Final Report
- b. Shooting bible and/or daily production reports
- c. Copy of the final production schedule (*Template provided*)
- d. Copy of the Filipino filming permits from the local authorities
- e. Copy of the fully executed contracts with the key cast and crew

- f. List of the full personnel, cast and crew, that worked on the Project
- g. Cost and narrative report on the fund amount spent for the production with the corresponding Certified True Copies of qualified and valid Official Receipts and Sales Invoices
- h. Updated distribution plan (theatrical release/broadcast/VOD platform, etc) within the Philippines and/or abroad
- i. Final Chain of Title
- j. Updated final recoupment waterfall structure (this determines to whom and in what order film income is distributed *(Template provided)*)

If available,

- a. Existing communication materials (poster(s), flyer(s), press release kit(s), etc)
- b. Distribution contract(s) for a theatrical/VOD release in the Philippines
- c. Copy of the international sales agreement(s) or contract(s)
- d. Copy of the agreement letter(s) with film festival(s)

You will receive the remaining twenty percent (20%) of the Fund within sixty (60) days upon the submission and approval of the following:

- a. Promotional materials, non-commercial communication rights to the following: trailers, excerpts, official poster(s) of the film, film stills, behind-the-scenes, press kit, on-set pictures, interviews of the cast and crew, making of video to promote FDCP, Filipino locations, cast, and crew
- b. Secured screening link of the film
- c. Copy of the film and its non-video assets to be deposited to the FDCP Philippine Film Archive

In the event of a legal dispute, arbitration, or judicial proceedings, the FDCP reserves the right to withhold the approved fund payment until the matter is settled, or the FDCP is at the impression, after assessment of the dispute, that it is satisfied to release the payment.

B. Do I have to repay the Fund to FDCP?

You will NOT have to repay the grant UNLESS you breach the terms of the MOA. The Fund can be nullified with immediate effect, and the FDCP can ask for a refund from you under any of the following conditions:

1. You are unable to produce any documents or details asked for in the Final Report.
2. You submitted false information and/or documents that were obtained by fraud, material inaccuracies, or misrepresentation.
3. The Final Report doesn't comply fully with the Call for Application with key details of the Project that changed significantly whether creative, financial, or artistic involvement.
4. You did not inform FDCP that the rights option to the Project is going to lapse, be terminated, or be varied. You, as the Grantee, must own the rights over the Project, which shall not be assigned to anyone else.
5. You violated any other terms of the Guidelines and the Agreement.

C. How do I spend the Fund?

You may start spending the Fund after you receive the first sixty percent (60%).

It is important that you spend the Fund according to your declared budget proposal in your application and according to the eligible expenses allowed under the Fund. As FDCP is accountable for the taxpayers' money entrusted to us, we must be able to verify where the

Funds that we granted to you were spent. This is why there is a liquidation process during the Final Report stage where you need to submit a cost and narrative report of your spending.

For specific details and documents that you need to submit, please make sure to read the *CreatePHFilms Fund for Large Budget Production Guidelines on Eligible Expenses*.

D. What if I don't fully spend the Fund?

We encourage you to fully spend the Fund and according to the proposed spending in your application documents. However, in the event of partial or underspending of the Fund, you must return the remaining amount to FDCP. You will also still be expected to fulfill all of your responsibilities and obligations under the Agreement.

E. What are my responsibilities and obligations?

All of your responsibilities and obligations will be detailed in the MOA, but we specify key elements of your obligations to as a recipient of the Fund:

1. Comply with the reportorial requirements as set out by the General Guidelines for the Production Report and Final Report.
2. Spend the Fund according to the guidelines on eligible expenses and provide official receipts and documentary requirements.
3. Allow the FDCP team to conduct meetings to discuss plans, progress, and expectations for deliverables.
4. Allow the FDCP team to visit the production during development, pre-production, production and/or post-production to shoot promotional behind the scene material: photos, videos, interviews, etc.
5. Notify the FDCP of any change in the production schedule as well as when the project will start and end the principal photography, start post-production, and completion of the project.
6. Grant FDCP "Co-Producer" rights and credits in all matters relating to the film, including but not limited to opening titles and end credits. Presentation credits shall be as follows:
 - a. In the opening credits before all other credits or logos:

The CreatePHFilms logo and FDCP's full screen animated logo including any logo soundtrack.

- b. In the main credits (wherever they appear - whether at the beginning or end of the film):

"With the support of the Film Development Council of the Philippines"
 - c. In the closing/end credits (in sizes and presentations of equal prominence with other financiers):

The FDCP's logo and/or name, and the words: *"This film is a recipient of the CreatePHFilms of the Film Development Council of Philippines"*
 - d. The logo of the CreatePHFilms and FDCP shall be included in all applicable promotion materials, posters, DVD, commercials, promotional clips, and all versions of the film screened/broadcasted internationally.

7. Add the logo of the CreatePHFilms in all applicable promotion materials, posters, DVD, commercials, promotional clips, and all versions of the project pitched or screened/broadcasted internationally.
8. Provide the FDCP after completion of the project, promotional materials, and non-commercial communication rights to the following:
 - trailer(s), excerpts, official poster(s) of the film, film stills, behind-the-scenes, press kit, on-set pictures, interviews of the cast and crew, making of video to promote the FDCP, Filipino locations, cast, and crew.
9. Provide an offline DVD copy of the project upon its completion.
10. Inform the **FDCP** of the Film's distribution plans and executions, such as selection for festivals/labs, and the like for a maximum of three (2) years from the date of its worldwide premiere
11. Shall exert best efforts in having a Philippine premiere of the film.
12. Shall arrange for the production of a copy of the Project with English subtitles.
13. Shall grant to the FDCP the right to screen the film for purely education and non-commercial activities, in perpetuity. It is understood, however, that the FDCP will inform each time such a screening will be availed. The FDCP may exercise said right after one (1) year from the date of its world premiere unless the same is for a Philippine premiere.
14. Deposit a copy of the film and its non-video assets to the FDCP Philippine Film Archive (PFA).
15. Notify the FDCP via official communication under any of the following circumstances:
 - a. If the rights option is going to lapse, terminate, or be varied. You as the grantee must own the rights over the project, which shall not be assigned to anyone else. The Fund can be nullified, and/or refunded in any case.
 - b. Should there occur any force majeure or similar conditions, which may delay or prevent the timely completion or fulfillment of the project and the attainment of its objectives. You must specify the cause and its implications and consequences, so we may work together to adopt remedial measures.
 - c. Should there be a delay in the timeline. You must specify in the extension request to FDCP a clear and valid reason and a proposed new delivery date. The request and new delivery date must be approved by FDCP. Otherwise, it will be considered as a breach of Agreement.
16. Hold FDCP harmless and indemnify FDCP against any third party claim in connection with infringement of any intellectual property right, or any accident, injury, loss, or damage caused by the performance of the agreement.

Should you renege from your responsibilities as specified therein and/or the FDCP determine the Grantee to be in violation of the terms of the MOA, the FDCP reserves the right to prohibit you, your principals, and any parent or subsidiary companies from applying or accessing further funding from FDCP for a period of two (2) consecutive years upon written notice.

You must remember the acronym, **CREATE**, as your reminder for the CreatePHFilms Fund for Large Budget Production:

- **C**-omply: As a recipient of the Large Budget Production Fund, you have to comply with the deliverables. The CreatePHFilms Secretariat will send you a copy of your calendar of deliverables that will serve as your guide.
- **R**-eview: Always review and check your production schedule, budget, finances, and your production status as you will be submitting reports to the FDCP.
- **E**-valuate: Please evaluate and check your Project and schedule. If there are changes, kindly notify and report to us. If you won't be able to submit your deliverables on time, kindly send us a request letter for an extension at createphfilm@fdcp.ph stating your reason and proposed date of completion of requirements.

- **A**-udit: Please keep in mind that all your expenses and receipts must be documented as our Audit Team will check and balance all your necessary spendings and financial transactions related to your Project.
- **T**-imely: Your accomplished deliverables must be submitted on time.
- **E**-xpect further updates from us. We know that it will take time to accomplish all the requirements but our team will extend its efforts to help you.