

INTERNAL REGULATIONS (2017 PROGRAMMING)

1) Payment of the support

If a film theatre does not achieve its contractual percentages (SENN, SE, number of screenings or admissions), the amounts paid shall be allocated at a rate of 100%, 75%, 50% or 25%, in accordance with the support scales in the Appendix. This measure applies to all countries.

Countries C and D (Croatia, Hungary, Portugal, Slovenia and Slovakia / Albania, Bosnia-Herzegovina, Bulgaria, Cyprus, Estonia, Latvia, Lithuania, Macedonia, Malta, Montenegro, Romania and Serbia) and Countries A and B are subject to specific support scales.

Should common results under a **joint agreement** or for a **mini-network** (agreements covering several film theatres) prove insufficient, film theatres may be examined separately by applying the criteria in the guidelines. Support will then be given solely to the film theatres achieving the expected percentages, said support corresponding to the number of screens in question. This measure also applies to support for Young Audiences.

In the case of partial payment of support, the **diversity bonus** will be paid at the same percentage as the main support.

Support for VoD, however, will not be pro-rated.

Should in some countries the specific situation or an important market variation come to lower the national and European market shares by more than 8 points, the support scheme for Countries C and D will apply to Countries A and B, concerning the SENN, while the SE threshold will be lowered by 5 points. In Countries C and D, both criteria will be lowered by 5 points.

2) Ceiling of one euro maximum per non-national European admission

The ceiling of one euro per non-national European admission is shown on the summary sheet and used to calculate the maximum amount that may be paid to a film theatre for its recorded admissions to European non-national films (excluding Young Audiences).

This ceiling will be applied if lower than the maximum amount of support that can be paid to the film theatre.

Note:

- **Outdoor film theatres and seasonal tours:** outdoor film theatres and seasonal film theatres will have their support pro-rated on the basis of their period of operation for single-screen theatres. For agreements covering several film theatres or screens, the number of screens under contract shall be calculated according to the period of operation during the year (for example, a summer film theatre and a winter film theatre may constitute a single screen under the terms of the agreement). This case applies mainly in Greece.

- **Seasonal and travelling cinemas:** For this particular type of events, the admissions' and number of screenings' thresholds benefit a specific scale: 5000 admissions and 30 screenings annually for D Countries, 200 annual screenings for other countries.

- **If a film theatre is closed** for over 15 consecutive days, the period of operation is calculated on a pro-rata basis. This is calculated automatically on summary sheets.

- **Conservation conditions for network film theatres:** A film theatre whose results do not reach the contractual percentages or which has not submitted its programme for three consecutive years will be excluded from the network. This decision shall be validated during the meeting of the Validation Committee and film theatres shall be informed accordingly thereafter. An inactive member cinema (no communication with Europa Cinemas, extended closure period, etc.) during three consecutive years will also be liable to exit the network, upon decision of Europa Cinemas.

A film theatre exits the network the same year this information is being communicated.
If a film theatre leaves the network, it may apply again to the network.

-Division of a Common Agreement/mini-network: film theatres which are part of a common Agreement or a mini-network may decide to split (and therefore beneficiate from individual Agreements) if both parties involved communicate their intention to Europa Cinemas and subject to sufficient programming results. Their division will be taken into account for the signing of the upcoming Agreements.

Annex to the Europa Cinemas Internal Regulations 2017

COUNTRIES A & B		SENN -2	SE -1,5	SE -3	SE -4,5	SE -6	Screenings -25	Screenings -50	Screenings -100	Screenings -150
SENN -2	100%		100%	75%	50%	25%	100%	75%	50%	25%
SE -1,5	100%	100%					100%	75%	50%	25%
SE -3	75%	75%					75%	50%	25%	0
SE -4,5	50%	50%					50%	25%	0	0
SE -6	25%	25%					25%	0	0	0
Screenings -25	100%	100%	100%	75%	50%	25%				
Screenings -50	75%	75%	75%	50%	25%	0				
Screenings -100	50%	50%	50%	25%	0	0				
Screenings -150	25%	25%	25%	0	0	0				

COUNTRIES C & D		SENN -2	SENN -3,5	SENN -5	SENN -6,5	SE -1,5	SE -3	SE -4,5	SE -6	Screenings -25	Screenings -50	Screenings -100	Screenings -150
SENN -2	100%					100%	75%	50%	25%	100%	75%	50%	25%
SENN -3,5	75%					75%	50%	25%	0	75%	50%	25%	0
SENN -5	50%					50%	25%	0	0	50%	25%	0	0
SENN -6,5	25%					25%	0	0	0	25%	0	0	0
SE -1,5	100%	100%	75%	50%	25%					100%	75%	50%	25%
SE -3	75%	75%	50%	25%	0					75%	50%	25%	0
SE -4,5	50%	50%	25%	0	0					50%	25%	0	0
SE -6	25%	25%	0	0	0					25%	0	0	0
Screenings -25	100%	100%	75%	50%	25%	100%	75%	50%	25%				
Screenings -50	75%	75%	50%	25%	0	75%	50%	25%	0				
Screenings -100	50%	50%	25%	0	0	50%	25%	0	0				
Screenings -150	25%	25%	0	0	0	25%	0	0	0				

Admissions Grading Scale		If only this criteria is not reached	If another goal is not reached
Countries with minimum admissions 30 000 (DE, ES, FR, IT, UK)	Admissions -2000	100%	-
	Admissions -4500	75%	-25%
	Admissions -7500	50%	-50%
	Admissions -10000	25%	-75%
Countries with minimum admissions 25 000 (AT, BE, LU et NL)	Admissions -1750	100%	-
	Admissions -3750	75%	-25%
	Admissions -6250	50%	-50%
	Admissions -8500	25%	-75%
Countries with minimum admissions 15 000 (HR, DK, FI, GR, HU, IR, IS, NO, PL, PO, CZ, SI, SL, SE)	Admissions -1000	100%	-
	Admissions -2000	75%	-25%
	Admissions -4000	50%	-50%
	Admissions -6000	25%	-75%
Countries with minimum admissions 10 000 (AL, BX, BG, CY, EE, LV, LT, ME, MK, MT, RO, RS)	Admissions-1000	100%	-
	Admissions-2000	75%	-25%
	Admissions -3500	50%	-50%
	Admissions -5000	25%	-75%
Travelling cinemas with minimum admissions 5 000 (AL, BX, BG, CY, EE, LV, LT, ME, MK, MT, RO, RS)	Admissions <5000	-	-

As indicated in the Internal Rules, the support for open-air cinemas and seasonal tours is proportional to their opening period. The grading scales concerning the numbers of screenings and admissions thus do not apply.

For seasonal tours and travelling cinemas, a number of admission lower than 5000 will not give access to support.