

RULES OF “INDUSTRY AWARD” FILMS IN PROGRESS 18

First - Purpose of the competition and sponsors.

The Films in Progress Industry award's aim is to help directors to finish off Latin American fictional feature films that have been specifically selected in the section Films in Progress of San Sebastian Film Festival.

As a result the winning film will receive the various contributions in post-production services listed below which will be provided by the following companies sponsoring the section: Best Digital S.A., Dolby, Kodak S.A., Molinare S.A.U., Nephilim producciones S.L., No Problem Sonido S.L. & Technicolor Entertainment Services Spain S.L..

Second – Requirements and conditions for taking part.

Merely presenting projects to compete to win the Films in Progress Industry award means that the production companies taking part accept these rules, without any kind of limitations or restrictions.

Third - Selection procedure for films and presentation of the award.

A jury made up of a representative of each of the (aforementioned) companies sponsoring this section will chose the winning film from among the selected films after having seen the films and examined the situation that each of their projects are in.

The jury's decisions are not open to appeal.

The winning film will be announced during the San Sebastián Festival.

Fourth.- Co-production contract and participation quota.

On behalf of all the (aforementioned) companies sponsoring the event, NEPHILIM PRODUCCIONES, S.L. will sign a financial co-production contract with the award-winning production company so that the winning film can acquire Spanish nationality and can therefore be marketed better in Spain. This contract, whose text will be worded by NEPHILIM PRODUCCIONES, S.L., will be signed within a maximum period of three months from the date that the Award is accepted by the winning production company, and in any case, before post-production activities begin. If this contract is not signed, this will mean that the award is automatically lost.

In accordance with this contract, NEPHILIM PRODUCCIONES, S.L., will become the audiovisual co-producer of the film with full rights as such to this and will obtain 100% of the film rights in the territories of Spain and Andorra.

The marketing of the film in Spain and Andorra will therefore be decided on and carried out by NEPHILIM PRODUCCIONES, S.L.

The winning production company will have to guarantee that it owns the licensing rights to the film, and is authorised to sign the co-production contract with NEPHILIM PRODUCCIONES, S.L. as stated. The production company will have to pay compensation to NEPHILIM PRODUCCIONES, S.L. in the event of the failure of this guarantee.

Fifth - Obligations of the winning production company.

The winning production company undertakes to:

- a) Hand over all the materials needed to carry out the post-production tasks included in the award, before the 15th of December in the year that the award is presented;
- b) State that Kodak material is used and that all the photochemical work is carried out in Technicolor laboratories on all national and international distribution contracts.
- c) Include in the initial film credits that it is the winner of the “Films in Construction Industry” award, and also include the logos of all the companies sponsoring the section, which must also be done on all the promotional and publicity material for the film (poster, web site...);
- d) Allow the companies sponsoring the section to use the title of the film and the film itself, directly or indirectly, as promotional and publicity material for their own activities.
- e) Hand over 30 posters and 60 DVDs of the film as soon as possible to NEPHILIM PRODUCCIONES, no later than the premiere of the film in any territory.

Sixth.- Obligations of the companies sponsoring the award.

The companies sponsoring the award must complete the post-production tasks that are their responsibility in accordance with the following description, no later than the 31st of July of the year after the one in which the award was presented. This must always be done in accordance with a work schedule that they themselves have designed which the company producing the film must accept:

- BEST DIGITAL S.A. – will be responsible for:

Sound post-production work on the winning film, by providing the following:

- Recording Studio for sound effects
- Dolby, MOD y M+E mixing room

Materials to be delivered:

- DVD Pro Tools session at 24 FPS per reel of the 5.1 mix, LT RT, M+E 5.1 y M+E LT RT mix.

- DVD with Pro Tools session at continuous 25 FPS with the 5.1 mix,
LT RT y M+E LT RT mix

- KODAK S.A – will provide the image and sound material needed in 35mm.
- TECHNICOLOR ENTERTAINMENT SERVICES SPAIN S.L – will take on the following tasks:
 - Negative scanning (For Intermediate Digital and shots for digital effects)
 - Negative editing (In the case of 35mm. The optical transitions, posters and title credits are not included).
 - Photochemical grading (for negative editing)
 - Obtaining a 35 mm silent copy.
 - Digital Intermediate development (whenever it comes from Molinare).
 - 35mm photographic duplication
 - Obtaining an initial 35mm standard copy.
 - Obtaining a second 35mm copy subtitled in English.

As for the subtitles:

- Translation, adaptation and simulation.
- Printing and washing the copy.

- MOLINARE S.A.U – will carry out image post-production, consisting of:
 - Creating an EDL in High Definition, completed and provided by the customer
 - Providing digital effects
 - Correcting the colour
 - Cleaning and restoring the negative (if it has been shot as a film and this task is required)
 - Intermediate 35 mm shooting of the film
- NO PROBLEM SONIDO S.L. – will provide the sound editing.
- NEPHILIM PRODUCCIONES S.L. – will take responsibility for coordinating the post-production tasks and the licensing of the film in Spain and Andorra as envisaged in these rules and the co-production contract.