

RULES AND REGULATIONS APPLICABLE TO SERVICES AT THE MARCHÉ DU FILM



MARCHÉ DU FILM
FESTIVAL DE CANNES
2021

1 • PRELIMINARY

The Société de Gestion d'Opérations commerciales pour le Festival International du Film (SOGOFIF) is responsible for the organization of the Marché du Film, hereafter the "Marché du Film" or "Marché", which takes place as part of the Festival de Cannes (the "Festival"). The SOGOFIF is a subsidiary of the Association Française du Festival International du Film (AFFIF). The aim of the Marché du Film is to promote networking opportunities between professionals within the film industry and to facilitate the international business of film rights, whether the films are completed or not. These films are defined as feature films destined for a first release in theatres. The Marché du Film offers various services strictly reserved to the registered participants, hereafter "Participants" or the "Company". Access of Participants to these services is conditional upon the total acceptance of the Rules and Regulations for Registration at the Marché du Film, together with the Rules and Regulations laid out hereafter, as well as those related to each specific service.

It is expressly reminded that the Marché du Film cannot be held accountable regarding any commercial or press related results expected by the Company. This non-accountability also applies to all the programs and services provided by the Marché du Film.

2 • INVOICES AND VAT

All invoices corresponding to services bought are at the Participant's disposal on the Internet. They are available on the website www.marchedufilm.com and can be printed as "pdf" secure files through access codes given to each Participant. Companies acknowledge and accept that these files constitute the only original invoices for which no printed version will be given.

Following European regulation policies, certain services provided by the Marché du Film to companies based outside of France could be eligible for a reverse charge of the VAT. In this case, the VAT will not be added to the invoices of the clients. This procedure applies only to the services associated with booths, screenings, and additional services with the exception of entry fees (accreditations, badges, parking passes), additional booth insurance and online services. And this is subject to condition where these services are provided to companies taxable in their own countries:

- companies based in one of the 27 countries of the European Union (except France) must provide their EU VAT number;
- companies based outside the European Union must provide a document stating that they are taxable in their own country,
- companies who are not taxable or who cannot provide the above mentioned information will be invoiced with French VAT at the current rate and will not be able to request a reimbursement from the French fiscal services.

3 • CONDITIONS OF PAYMENT OF SERVICES

The service fee payment must be made according to the payment conditions marked on the corresponding contract and invoice. In case the invoice indicates an obligation of payment upon receipt of the invoice, the payment should be made within 15 (fifteen) days. Payment for services must be made online by credit card (American Express, Visa, and MasterCard only); other methods of payment require the express agreement of the Marché. Payments made in Cannes must be made by credit card. Due to COVID-19, cash payments are no longer accepted, except for cases where a written agreement is granted by the Accreditations or Accounting Departments beforehand. (According to the French regulation, cash payments are limited to a maximum of €1000 per company).

According to articles L441-6 and D441-5 of Commercial Law, any delay in payment will give rise to a penalty fee calculated from the day following the payment deadline stated on the invoice, with a rate of three times the legal rate of interest being applied; this rate is the interest rate applied by the European Central Bank in its recent refinancing operation increased by 10%. This penalty fee must be paid without any reminder being necessary. In addition, any delay in payment will also entail the payment of a fixed compensation fee to the Marché du Film to cover recovery costs, calculated at 40 Euros (see article D441-5 of Commercial Law). In the case where recovery costs are higher than the fixed compensation fee, the Marché reserves the right to ask for supplementary compensation. All delay in payment also gives rise to the application of the penal clause defined hereafter.

In the case of non-payment, on the day after that which figures on the invoice, the Marché du Film may decide to cancel the corresponding contract, without releasing the Company from the obligation of full payment of the contract, as well as the interest referred above and the penalty listed below. The cancellation of a contract also entails the barring of the Participants registered by the Company from the Marché du Film zone and the immediate return of their badges.

In addition, registration of the Company and its Participants at the Marché du Film and the Festival will be cancelled for the year in question and all ensuing years until payment in full is received. These provisions also apply in the case where

the Company and/or the Participants owe money, in similar conditions, to one of the hotels in partnership with the Marché du Film or to one of the Marché official suppliers.

It is hereby stated that in all cases where administrations or banks of the country of the Company would apply a tax deducted at source or any other tax, they would be at the exclusive charge of the Company. The Company will make sure that the Marché du Film receives payment in full all tax included, corresponding to the amount due. In the case of non-payment of invoices at the date due despite the sending of the formal demand, the offender will be liable to a penalty of 20% of the total amounts due, in addition to the interest mentioned above.

4 • CONDITIONS SPECIFIC TO EACH SERVICE

4.1 Screenings in the Marché screening rooms

4.1.1 Reservation of screenings

Only those companies that are registered with the Marché du Film can make reservations for screenings of feature films in which they are selling. Once the Company has sent its request for screenings, the Marché du Film will suggest rooms, dates and times according to availability and will send an order form. Films produced before January 1, 2020 and those that have been screened at a Market prior to December 2020 are not accepted.

Screening requests will be processed in the order in which they are received. Time slots will be confirmed upon the receipt of the order form duly signed by the Company and sent together with the corresponding payment. In the case where a payment is not received by the Marché du Film within eight days of receiving the order form, the time slots for screenings cannot be guaranteed. The titles of the films that are to be screened must be given to the Screenings Department by June 14, 2021, at the latest. Where this is not the case, screening reservations will be cancelled.

The Marché du Film reserves the right to request the synopsis or complete scenario of the film and to refuse the screening of any film which is liable to disturb public order or which may be offensive to religion, as well as pornographic films and films which encourage violence, including all corresponding posters and documentation. Screenings take place under the sole responsibility of the Participant, who guarantees to have taken all necessary steps for any legal and technical issues. The Participant agrees to respect strictly all legislation on copyright and to screen only those films for which he/she has all the necessary authorization from the entitled beneficiaries.

4.1.2 Screening rates

Screening rates are for feature films of 110 minutes length maximum. Films with a running time between 110 and 140 minutes will be invoiced at a pro-rata increased by 25%. Above 140 minutes, the Participant will have to reserve and pay for two consecutive screening slots.

In the case where a company would like to set up a test before the first screening, the Marché du Film will invoice it at a fixed rate of 25% of a screening fee and the test will not last longer than 20 minutes. If the company chooses to have a test longer than 30 minutes, it will be invoiced as a full screening slot.

For the short films, please contact Cannes Court Métrage: ccminfo@festival-cannes.fr.

4.1.3 Access to screenings

Checks at the entrance to Marché du Film screening rooms are carried out by Marché du Film personnel who are responsible for applying both the priority access and security rules established by the Marché du Film. All Companies having reserved screenings are required to respect these rules and are, in no case whatsoever, allowed to intervene in the entrance of spectators to the rooms.

Access to the Marché du Film screening rooms is reserved to the following, in order of priority:

1. those who have a Marché du Film priority badge (with a mauve stripe);
2. those who have another type of Marché du Film badge;
3. those who have an invitation issued by the Screenings Department Marché du Film (no other invitation, even one issued by the company representing the film, will be accepted);

The entrance to the Palais des Festivals and the Riviera, only possible with a badge, means an invitation alone does not allow access to the screening rooms in these areas; a badge is necessary together with an invitation.

Journalists registered with the Festival de Cannes do not have access to the Marché du Film screening rooms unless the Company that has reserved the screening requests otherwise in advance.

Those who have a day pass have no access to the Marché du Film screening rooms.

The screening rooms of the Marché du Film are equipped with "bar code scanners" enabling lists of those attending the screenings to be kept. The Marché du Film cannot be held responsible in the case where a list is unavailable or incomplete, and sales companies cannot request compensation.

4.1.4 Delivery of material

All DCPs, in hard copy or digital format must arrive at the Marché du Film in Cannes Tuesday June 29, 2021, as for the latest.

- The DKDMs and KDMs must be received at kdm2021@festival-cannes.fr by Tuesday June 29, 2021, at the latest A penalty of 250 Euros will be charged to the company in case:
- the DCP, the DKDM or KDM is not received by June 30, 2021,
- the DKDM or KDM is not valid from Tuesday June 30 to Saturday July 17.

4.1.5. Technical specifications

In case the delivered material doesn't comply with the criterias listed in the Technical Guide (available on www.marchedufilm.com) or it has been delivered after the mentioned deadlines no refund can be claimed from the Marché du Film in case of a problem at the screenings, including the cancellation of the screening. Furthermore, the Marché reserves the right to cancel the screening in the case where it might prevent the following screening from starting on time. However, the cancelled screening will still be due in full.

The carriage costs of film prints, the airport taxes upon reception, the transport and delivery costs to the Marché du Film stocking rooms called "Stock Films", as well as customs expenses (import and export customs formalities for temporary admission) and the insurance costs – both on the outward trip and on the return - are borne by the shipper of the print. The Marché du Film is only responsible for the storage of copies in the Stock Films and their transport to the various screening rooms of the Marché.

4.1.6 Storage of prints

By special customs authorization, foreign films from non-European Union countries may enter France under temporary clearance. French customs may impose penalties and fines on the representative if a print violates customs regulations. Prints from European Union countries are not subjected to any customs formalities. Prints remain under the supervision of the Marché du Film, in its storage room, until shipped back, or if need be under the supervision of customs.

The Marché du Film insures the prints for damage only during their screening in its screening rooms. In the event of a print being damaged or lost by the Marché du Film, the Market is only liable for the value of the physical replacement of the print, calculated according to expert opinion. No claim for damaged or lost prints will be receivable if it is not notified to the Marché du Film in writing within three weeks of the end of the Market. Digital and video material that have not already been sent back, must be picked up by July 17, 2021, at the latest. Afterwards the material will be given to our transport company, AIR MASTERS CARGO, that will send it back at the company's expense with an additional cost for storage and transport from Cannes to Paris. In case no company claims the material, AIR MASTERS CARGO will destroy it after 120 days.

4.1.7 Announcing screenings

The Participant allows the Marché du Film to publish and communicate in its printed and online guides, all information and documents provided directly or indirectly through its website, including synopses, trailers, pictures and photos from films and of company employees and logos, unless otherwise requested in writing by the company at the latest one month before the beginning of the Festival. The Participant declares to be authorized to use all these elements and guarantees that the Marché du Film will not be held responsible by any third party concerning the same.

All information given will be used in accordance with the Loi Informatique et Libertés dated January 6, 1978. Access to and correction of this information is possible.

The Marché du Film reserves the right to refuse to list in the Market Guide any film submitted by two different companies, any film produced before 2020 or any film which is liable to disturb public order, as well as those which are offensive to religion, pornographic or which incite violence.

4.1.8 Terms of cancellation of screenings

Any screenings cancelled by the company by June 1, 2021, at the latest will be reimbursed. From June 2, 2021, screenings will only be partially reimbursed if the cancelled time slot is taken and used by another company. In that case, the administrative fees will be canceled for each canceled screening (120 Euros / 100 Euros for Palais / Riviera / Lerins exhibitors). In case of multiple cancellations, The Marché du Film will have the right to distribute equally the cancelled screenings slots. Films selected for the Official Competition, Un Certain Regard, the Directors' Fortnight or the Critics Week must first be screened within their selection. Any cancellation made as of Friday, June 22, 2021, will be due in full.

Nevertheless in case the Marché du Film is unable to physically take place in Cannes on currently set dates or in case the Company cannot be present in Cannes on the currently set dates, and is able to provide legitimate elements justifying the impossibility (IMPOSSIBILITY) for all the representatives of the Company to be onsite in Cannes due to the COVID epidemic prohibiting them to (i) leave their country, (ii) enter the French territory, or (iii) despite their presence on French territory, freely move inside the country due to a quarantine, the Company could cancel its screenings and request a full reimbursement of the amount paid. No reimbursement request will be processed without valid proof of IMPOSSIBILITY, which must be presented no later than 15 July 2021.

In any case where a refund is due, the Marché du Film will put all its efforts to insure all the received installments' reimbursements are made by October 31, 2021, as for the latest.

4.1.9. Limitation of liability clause

In the case where the Marché du Film is responsible for the cancellation of a screening or for the bad execution of a screening, this cancellation or this bad execution can give rise to the programming of a new screening time slot, with similar conditions to those originally agreed upon, and within the limits of availability without any other compensation. However, where the correct execution of the screening is impeded by the contractor or other third party or in the case of a natural disaster, no compensation may be claimed.

4.2 Advertising and Signposting

4.2.1 Advertiser's obligations

The Advertiser is solely responsible for the texts, brands and logos which he/she declares to be authorized to use. The Marché du Film reserves the right to refuse unilaterally any advertising or signposting which would, should the event arise, be reimbursed.

4.2.2 Artwork

If the delivered artwork is not in accordance with the technical specifications, the extra technical costs incurred will be charged to the advertiser. If the artwork is not received by the deadline given, the Marché du Film will not proceed with the insertion of the page(s) of advertising or the signposting, and in this case the advertiser waives all rights to reimbursement.

4.2.3 Terms of cancellation

Orders cannot be cancelled under any circumstances, except for the cases where the cancellation of a signposting or an advertisement in a print publication in Cannes is directly due to a postponement or a cancellation of the physical event in Cannes for a COVID related sanitary crisis. Non-delivery does not release the Participant from the obligation to pay all corresponding invoices in full.

4.3 Office and Video Equipment

4.3.1 Hirer/participant's obligations

For the duration of the period of rental, the hirer/participant becomes "keeper" of the rented equipment and agrees to use it for its usual purposes and not to do anything, or let anything be done, which might deteriorate it. In the same way the hirer/participant may not:

- move the rented equipment from where the technical services install it
- sublet it and/or give it to any third party

The hirer states that he has taken note of the fact that the rented equipment is designed to be placed in covered premises, protected from water infiltration and on firm ground.

Should the hirer/participant fail to present justified complaints in writing, concerning the condition and quantities of the rented equipment, within a period of 24-hours from the time the rented equipment is put at his/her disposal, it will be considered that he/she received it in good condition, and he/she is responsible for returning it in the same condition at the end of the rental period.

The hirer/participant alone is accountable to the Marché du Film for all possible deterioration, loss or theft. The hirer/participant undertakes to make all necessary arrangements in order to be insured, if he/she deems it necessary, against all risks including damage, loss, theft and any other disaster or accident. Concerning the rental of furniture, the hirer/participant can use the compulsory insurance referred to in the article 4.3.5.

The equipment rented by the Marché du Film remains its sole property.

4.3.2 Replacement

The Marché du Film expressly reserves the right to supply, in place of the equipment ordered, any equivalent equipment capable of satisfying the same usage requirements. The customer recognizes that the essential condition of his/her contract resides in the use that may be made of the equipment and not in its intrinsic nature. Should the customer fail to give written refusal within 24 hours of this replacement of equipment after we have given him/her written notice, he will be deemed to accept it and to accept the resultant obligations.

4.3.3 Sanctions

The Marché du Film expressly reserves the right to recover rented equipment without prior notice or compensation in the case of breach of the present Rules and Regulations and this without the hirer/participant being able to claim damages or engage in judicial proceedings.

Non-participation does not release the Participant from the obligation to pay in full invoices arising from the reservation and rental of equipment.

4.3.4 Terms of cancellation

Orders cannot be canceled under any circumstances except for the cases where the cancellation is directly due to the postponement or the impossibility to hold the Marché du Film physical event for a COVID related sanitary crisis reason. In the case where a company cancels its attendance in Cannes, all corresponding invoices for the equipment will be invoiced in full except for the cases where this decision is directly due to the sanitary crisis and in case it provides documented

evidence as a proof of the impossibility for all the registered Participants' to attend Cannes, whether due to the pandemics they are prohibited to leave their country; (ii) enter to the French territory; (iii) despite the presence in French territory, their liberty to circulate is limited due to an imposed quarantine.

In case the company refuses the ordered equipment upon its delivery all corresponding invoices will be due to payment in full.

4.3.5 Insurance – deposits

The rental of furniture entails taking compulsory damage insurance. It will cover the hirer against risks or theft, loss or damage from the day before the official opening to the day of closure. The guarantee for risk or theft is contingent on the hirer's lodging a complaint with the proper authorities and sending a copy thereof to the Marché du Film. The amount of this insurance must be paid at the same time as the rental.

4.4. Specific services, partnerships and online services

4.4.1. Obligations

The above listed rules and regulations cover other services such as organization of sponsored programs, showcases, spotlights, cocktails, workshops, speed-meetings, screenings, presentations, setting up of online booths pre-Cannes Screenings; and other services, and other services put in place by the Marché for the benefit of the Participant's or Companies registered at the Marché du Film. The Participant's access to these services is due to full compliance to the Rules and Regulations of the Registration of the Marché du Film completed by the conditions listed above in this document.

The Company holds full responsibility for the used, presented or shared content (texts, presentation of video materials, artworks or extracts of artworks, music pieces, brands and logos) derived from onsite and online services or partnerships.

4.4.2. Cancellation policy

The received orders can't in any case be canceled except for the cases where this cancellation is due to the impossibility for the organizers to hold the onsite event in Cannes for a COVID related sanitary crisis reason.

In case of full or partial impossibility of holding any onsite and/or online services and partnerships due to the absence of the Company (cancellation of attendance in Cannes for the Company, the Speaker or the Invitee; cancellation or late delivery of required presentation elements including video, image or other format), the payment amount confirmed by contract will be due in full except for the cases where the cancellation is due to COVID related sanitary crisis reasons. The Company will then be required to provide documentation of proof to this cause.

Nevertheless, the online services - notably referring to pre-Cannes Screenings - provided regardless of the onsite Marché du Film occurring or not – will not be under any circumstance subject to cancellation and/or reimbursement.