

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"). 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 via 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 may be eligible for a reverse charge of the VAT. In this case, the VAT will not be added to the invoices of those 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. Conditions are subject to change when these services are provided to companies taxed in their own country, including but not limited to:

- 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 unauthorized 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 said invoice, the payment should be made within 15 (fifteen) days. Payment for services must be made online by credit card (American Express, Visa, or MasterCard only); other methods of payment require the express agreement of the Marché. Payments made in-person in Cannes must also 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 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 (which was 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 request supplementary compensation. Any delay in payment also gives rise to the application of the penal clause defined hereafter.

In the case of non-payment, on the day following the payment deadline stated 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 his/her badge.

In addition, registration of the Company and its Participants at the Marché du Film and Festival will be cancelled for the year in question and all ensuing years until payment in full is received. These provisions also apply when the Company and/or the Participants owe money, in similar conditions, to a hotel in partnership with the Marché or an official supplier of the Marché.

It is hereby stated that in any case where administrations or banks of the country of the Company's country that would apply a tax deducted at the source or any other tax, such tax will be at the exclusive charge of the Company. The Company will ensure 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 due date despite an official request for payment, the offender will be liable to a penalty of 20% of the total amounts due, in addition to the interest rate mentioned above.

4 • CONDITIONS SPECIFIC TO EACH SERVICE

4.1 Screenings in the Marché Screening Rooms

4.1.1 Screening Reservations

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 then suggest rooms, dates and times according to availability, through an order form. Films produced before 1 January 2020 and those that have been screened at a Market prior to December 2020 will not be 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 in conjunction with the corresponding payment. In the case where a payment is not received by the Marché du Film within 8 (eight) days of receiving the order form, the time slots for screenings cannot be guaranteed. The titles of the films to be screened must be communicated to the Screenings Department no later than 14 June 2021. Screening reservations will be cancelled for all titles submitted after this date.

The Marché du Film reserves the right to request a synopsis or completed screenplay 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. This includes but is not limited to pornographic films and films which encourage violence, but also all corresponding posters and documentation. Screenings which take place at the Marché are 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 fully respect all copyright regulations 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 up to 110-minutes maximum. Films with a running time between 110 and 140 minutes will be invoiced at a pro-rated increase of 25%. For films that are longer than 140 minutes, Participants are required 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 the screening fee with the test lasting no 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 short films, please contact Cannes Court Métrage at: ccminfo@festival-cannes.fr.

4.1.3 Access to Screenings

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

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

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

Entry into the Palais des Festivals and the Riviera is only possible with a badge; an invitation alone does not allow access to the screening rooms in these areas; both a badge AND an invitation is necessary to gain entry into a screening room.

Journalists registered with the Festival de Cannes do not have access to the Marché du Film screening rooms unless the reserving Company requests so 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" which allow us to provide a list of the screening room attendees. However, the Marché du Film cannot be held responsible in the case where a list is unavailable or incomplete; sales companies cannot request compensation in the event of this occurring.

4.1.4 Delivery of Material

All DCPs, in hard copy or digital format, must arrive at the Marché du Film in Cannes no later than Tuesday 29 June 2021.

The DKDMs and KDMs must be addressed to kdm2021@festival-cannes.fr no later than Tuesday 29 June 2021. A penalty of € 250 (Euros) will be charged to the Company if:

- the DCP, the DKDM or KDM is not received by 30 June 2021,
- the DKDM or KDM is not functional from Tuesday 30 June to Saturday 17 July.

4.1.5. Technical Specifications

In case the delivered material does not fall within the exact specifications of the criteria listed in the Technical Guide (available at www.marchedufilm.com) or it has been delivered after the aforementioned deadline, no refund can be claimed from the Marché du Film for such problems, including the cancellation of the screening. Furthermore, the Marché reserves the right to cancel any screening which 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 stock room (otherwise known as "Stock Films"), any customs expenses (import and export customs formalities for temporary admission), as well as the insurance costs – inbound and outbound - are the responsibility of the film print's shipper. The Marché du Film is only responsible for the storage of copies held in the "Stock Films" facility and their transport to the various screening rooms within the Marché.

4.1.6 Storage of Prints

As per special customs authorization, foreign films from non-European Union countries may enter France under temporary clearance. French customs may impose penalties on the representative if a print violates customs regulations. Prints from European Union countries are not subjected to any customs formalities. When prints are not under customs supervision, they will remain with the Marché du Film in its storage facility (until they are to be shipped back).

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 accepted if the Marché du Film is not notified in writing within three weeks following the end of the Market. Digital and video material that have not been sent back must be picked up no later than 17 July 2021. After this date, the material will be given to our transport company, AIR MASTERS CARGO, who will return it at the Company's expense which will also include an additional cost for storage and transport from Cannes to Paris. Should no company claim the material, AIR MASTERS CARGO will destroy it after 120 days.

4.1.7 Screening Announcements

The Participant allows the Marché du Film to publish and communicate in its printed and online guides, any information and documents provided directly or indirectly through the Company or Participant's website, including synopses, trailers and images from films and/or of company employees and logos, unless requested otherwise in writing by the Company at least one month prior to the Festival's opening date. The Participant confirms he/she is authorized to use 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 6 January 1978. Access to and correction of this information is possible.

The Marché du Film reserves the right to refuse listing 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 for Screenings

Any screening cancelled by the Company by 1 June 2021 will be reimbursed. Starting 2 June 2021, screenings will only be partially reimbursed if the cancelled time slot is taken and used by another company. In this case, the administrative fees will be waived for each cancelled screening (120 Euros / 100 Euros for Palais / Riviera / Lérins exhibitors). In case of multiple cancellations, the Marché du Film is authorized to equally distribute the cancelled screenings slots. Films selected for the Official Competition, Un Certain Regard, Directors' Fortnight or La Semaine de la Critique must first be screened within their selection. Any cancellation made on or after Friday 22 June 2021 will be due in full.

In the event the Marché du Film is unable to physically take place in Cannes on the current established dates, or in case the Company cannot be present in Cannes on the current established dates, and is able to provide legitimate proof 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 French territory, or (iii) despite their presence on French territory, freely move inside the country due to a quarantine, the Company may 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 strive to ensure that the reimbursements for all paid installments received are made no later than 31 October 2021.

4.1.9. Limitation of Liability Clause

In the case where the Marché du Film is responsible for the cancellation of or error in a screening, this may 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 another third party or in the event 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 at any time 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 include the page(s) of advertising or the signposting, and in this case, the advertiser waives all rights for reimbursement.

4.2.3 Terms of Cancellation

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

4.3 Office & Video Equipment

4.3.1 Renter/Participant's Obligations

For the duration of the rental period, the Renter/Participant becomes "keeper" of the rented equipment and agrees to use it for its intended purposes and to protect/keep/return the equipment in the same condition in which it was given. In addition, the Renter/Participant may not:

- move the rented equipment from where the technical services installed it
- give, loan or sublet it to any third party

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

Should the Renter/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 has been placed in his/her care, it will be considered that he/she received it in good condition, and that he/she is responsible for returning it in the same condition at the end of the rental period.

The Renter/Participant alone is accountable to the Marché du Film for any possible deterioration, loss or theft. The Renter/Participant also agrees to make all necessary arrangements 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 Renter/Participant can use the compulsory insurance referred to in 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 usage of the equipment and not in its intrinsic nature. Should the customer fail to give written refusal within 24 hours of the replaced equipment after we have given him/her written notice, he/she must accept it and the resulting obligations.

4.3.3 Sanctions

The Marché du Film expressly reserves the right to recover rented equipment without prior notice or compensation in the event of a breach in the present Rules and Regulations without the Renter/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 when reserving/renting equipment.

4.3.4 Terms of Cancellation

Orders cannot be canceled under any circumstances except for when the cancellation is directly due to the postponement or impossibility to hold the Marché du Film's physical event for COVID-related reasons. In the case where a Company cancels its attendance in Cannes, all corresponding invoices for the equipment will be invoiced in full except when this decision is directly due to the sanitary crisis. In this case, the Company must provide documented

evidence as proof of the impossibility for all the registered Participants to attend Cannes due to the pandemic, prohibiting them to (i) leave their country, (ii) enter French territory, (iii) despite their presence in French territory, freely move inside the country due to a quarantine.

Should the Company refuse the ordered equipment upon its delivery, all corresponding invoices will be due in full.

4.3.5 Insurance – Deposits

When renting furniture, renters are required to pay for damage insurance for the duration of the rental. It will cover the renter against risks of theft, loss or damage from the first official opening day to its last day. The guarantee for risk or theft is contingent upon the renter lodging a complaint with the proper authorities and sending a copy 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 & Online Services

4.4.1. Obligations

The above listed Rules and Regulations cover other services such as the organization of sponsored programs, showcases, spotlights, cocktails, workshops, speed-meetings, screenings, presentations, setting up of online booths for Pre-Cannes Screenings, and any other services put in place by the Marché for the benefit of the Participants or Companies registered at the Marché du Film. Participant's access to these services is granted only if they are in full compliance of the Rules and Regulations of the Registration of the Marché du Film as detailed in 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, logos, etc.) derived from onsite and online services or partnerships.

4.4.2. Cancellation Policy

Any orders received cannot, under any circumstances, be cancelled unless it is due to the event that the organizers are unable to hold a physical event in Cannes on the current established dates due to COVID-related reasons.

In case of full or partial impossibility of holding any onsite and/or online services (or 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 when the cancellation is due to COVID-related reasons. The Company will ultimately be required to provide documented proof.

Online services (notably referring to the Pre-Cannes Screenings), regardless of the onsite Marché du Film occurring or not, will not, under any circumstance, be subject to cancellation and/or reimbursement.