



Australian Government



Reversion of Recoupment Entitlements

Quick Q&A – Changes as of 1 July 2015

Q. Which titles' rights will now revert back to the producer?

A. Any title with a commercial release date prior to 31 December 2008 (including former FFC-funded titles).

Q. What do I have to do?

A. Fill in the reversion application form on the [website](#) if you have not already done so or if the contracting party has changed. There's no need to fill in the form if you have already done so.

Q. Is Screen Australia retaining a 1% profit share?

A. No. However, we are retaining a 1% copyright interest in all projects.

Q. Will Screen Australia expect fees for sequels or remakes?

A. No.

Q. Will Screen Australia require reporting?

A. Only on request (annually at most). You can forward us copies of sales agent and distributor reports.

Q. Will Screen Australia notify CAMs and other parties that payments will now go to the producer?

A. Yes, all CAMs and other parties who pay Screen Australia direct will be notified to redirect all future Screen Australia payments to the producer.

Guidelines for titles approved before 1 January 2009

Screen Australia reverts its recoupment entitlement in favour of the producer in accordance with the Terms of Trade applicable to production investments approved **after 1 January 2009**. See

www.screenaustralia.gov.au/funding/business/Terms_of_trade.aspx

These guidelines set out Screen Australia's policy regarding titles approved by Screen Australia and its predecessor agencies **before that date**.

If you have further questions after reading these guidelines, please contact Screen Australia's Recoupment staff via email at reversion@screenaustralia.gov.au

Q1. Which titles are eligible?

The policy regarding titles funded before 1 January 2009 varies according to which agency provided the production investment and when.

- For titles *commissioned** by **Film Australia**, or by Screen Australia between 1 July 2008 and 31 December 2008, there is no reversion of recoupment. See also Q5.
- For **AFC** production investments, Screen Australia continues the policy of the former AFC of reverting recoupment to the producer after a 'Recoupment Period' (see Q2) of seven years has elapsed. For more details see Q3.

* 'Commissioned' titles were typically executive-produced by Screen Australia and its predecessor Film Australia, with copyright owned by the agency.

- For **FFC** titles, and Screen Australia titles (other than *commissioned* documentaries) approved between 1 July 2008 and 31 December 2008, Screen Australia will revert its whole entitlement from 1 July 2015, or at the end of the seven-year Recoupment Period, whichever is the later. For more details see Q4.

Q2. How is the ‘Recoupment Period’ calculated?

The Recoupment Period is seven years from ‘delivery’ of the project. For the purposes of this policy, the indicator that a title has been ‘delivered’ will be:

- for AFC titles, the date of the last drawdown (last payment by the AFC of its production investment);
- for FFC and Screen Australia titles, the first to occur of the following:
 - the date of the first disbursement of gross receipts derived from marketing the title,
 - the date of the first theatrical screening, broadcast or other communication of the title to the public in a territory defined as Major Territory in the Production Investment Agreement for the title.

Q3. What is the policy for AFC-funded titles?

In keeping with the policy announced by the AFC in April 2008, Screen Australia will revert its recoupment entitlement to the producer on application, provided that the Recoupment Period has elapsed. However, the producer must also assume Screen Australia’s collection, distribution and/or disbursement obligations under the Production Investment Agreement.

In order to give effect to reversion of an AFC title, you must enter into a Reversion Deed. Under this Deed, you will be entitled to Screen Australia’s share of all revenue generated by the title after 1 April 2008 (the date the policy was announced) or the end of the Recoupment Period, if that is after 1 April 2008. Screen Australia will remain entitled to its share of revenue generated before the relevant date (even if the Recoupment Period ended earlier). To be clear, even where revenue generated by the title before 1 April 2008 is not collected or received by the producer until after 1 April 2008, Screen Australia will remain entitled to its share of that revenue.

Reversion should be requested using the form available on the Screen Australia website, www.screenaustralia.gov.au/recoupment_reversion.

Q4. What is the policy for FFC-funded titles?

The policy for FFC titles is as follows:

Screen Australia will revert its **whole entitlement** to revenue in favour of the producer from 1 July 2015, or from the end of the seven-year Recoupment Period, whichever is the later.

Q5. What if there is investment from more than one agency?

If the AFC investment is a rollover of development investment, the title will be treated as an FFC title for the purposes of reversion (see Q4).

Where the FFC had equity in a title commissioned by Film Australia, and a producer other than Film Australia also has some recoupment rights, only the recoupment due to Screen Australia as a result of the FFC equity could revert to the producer under the FFC reversion policy (see Q4). Similarly, if the AFC had equity in a Film Australia title, only the AFC-related recoupment could revert under the AFC reversion policy

(see Q3). It's important to note that the recoupment entitlement associated with the agency's *commissioning* role – as Film Australia, or as Screen Australia for the period 1 July 2008 and 31 December 2008 – does not revert under any circumstances.

Q6. What is the policy for Screen Australia–funded titles?

As noted above, there is no reversion of documentaries *commissioned* by Screen Australia between 1 July 2008 and 31 December 2008.

Screen Australia titles approved before 1 January 2009 will be treated in the same way as FFC titles (see Q4).

The terms governing reversion of titles approved after 1 January 2009 will be as set out in the relevant Production Investment Agreement.

Q7. What about copyright and reporting obligations?

Screen Australia will retain a 1 per cent copyright interest in all projects.

Screen Australia will also continue to require reporting on sales and exploitation of the project for the purposes of Screen Australia research and analysis on request.