

Statutes of the Endowment Fund

Nadační fond Praha ve Filmu Prague Film Fund

Part I. Basic provisions

Article 1: Name of the Endowment Fund

The name of the Endowment Fund is Nadační fond Praha ve filmu Prague Film Fund (hereinafter referred to only as the "Endowment Fund").

Article 2: Registered office of the Endowment Fund

The registered office of the Endowment Fund is Mariánské náměstí 2/2, Staré Město, 110 00 Prague 1.

Article 3: Founder of the Endowment Fund

The founder of the Endowment Fund is the City of Prague, with registered office at Mariánské náměstí 2, 110 00 Prague 1, Company ID number: 00064581 (hereinafter referred to only as the Founder).

Article 4: Purpose of the Endowment Fund

The Endowment Fund is established for the purpose of supporting international awareness of the City of Prague on the basis of the creation of feature films and television films and series intended for foreign distribution in cinemas and on foreign television stations, in which the City of Prague is depicted as the City of Prague.

Article 5: Creation of the Endowment Fund and its duration

1. The Endowment Fund was created on the date of registration of the Endowment Fund in the Register of Endowment Funds maintained by the Municipal Court in Prague, in Section N, File number 1449, on 16 December 2016.
2. The identification number of the Endowment Fund is 056 34 288.
3. The Endowment Fund is a legal person established for an indefinite period.

Part II. Assets and management of the Endowment Fund

Article 6: Assets of the Endowment Fund

1. The investment contribution of the founder into the Endowment Fund constitutes monetary contribution in the amount of CZK 10,000,000.00.
2. The assets of the Endowment Fund are constituted by funds stemming from contribution by the founders, gifts, incomes, grants or other incomes of the Endowment Fund.
3. The Administrative Board is entitled to refuse a gift if its acceptance could damage the reputation of the Endowment Fund.

Article 7: Management of the Endowment Fund

1. Measures of a financial nature and disposal of the assets of the Endowment Fund are a matter reserved for the Administrative Board. Economic management of the Endowment Fund shall be governed by the budget which is approved by the Administrative Board.
2. The assets of the Endowment Fund may only be used in accordance with the purpose of the Endowment Fund as an endowment grant or for settlement of costs relating to administration of the Endowment Fund or for prudent investments.
3. The Endowment Fund is a public contracting authority pursuant to Section 4 paragraph 1 letter e) Act 134/2016 Coll., on Public Procurement, as amended.

Article 8: Costs of the Endowment Fund

1. Costs relating to administration of the Endowment Fund are managed separately from endowment grants and in particular include costs for maintenance and appreciation of assets, costs for promotional purposes and costs relating to operation of the Endowment Fund, including any possible remuneration of members of the Administrative Board or Supervisory Board.
2. Total annual costs relating to administration of the Endowment Fund must not exceed 5 % of the assets of the Endowment Fund according to their status as at 31 December of the same year.

Article 9: Annual report and accounts of the Endowment Fund

1. The Endowment Fund keeps accounts in accordance with the special regulations, on the understanding that the fiscal year of the Endowment Fund corresponds to the calendar year.
2. The Endowment Fund elaborates an annual report for the Endowment Fund within the deadline which is determined by the Administrative Board, this being within six months of the end of the calendar year.
3. The annual report shall contain information on the activity of the Endowment Fund and incomes and expenditure of the Endowment Fund, this in particular being:
 - a) an overview of assets and liabilities of the Endowment Fund
 - b) an overview of contributions, gifts and other incomes of the Endowment Fund.
 - c) an overview of Endowment Fund costs
 - d) and overview of recipients of endowment grants and brief characteristics of supported projects
 - e) information about the activity of the Endowment Fund
 - f) financial statements of the Endowment Fund.

Part III. Administrative Board and Supervisory Board – powers, meetings

Article 10: Administrative Board

1. The Administrative Board of the Endowment Fund manages the assets of the Endowment Fund, manages its activity and decides on all matters of the Endowment Fund.

Article 11: Administrative Board – specific powers

1. The following pertain exclusively to the sphere of competence of the Administrative Board:
 - a) issuance of the Statutes of the Endowment Fund and decision on changes to them
 - b) discussion, approval and change to the basic concept of the activity and projects of the Endowment Fund
 - c) approval of the budget of the Endowment Fund and changes to this
 - d) approval of the financial statements and annual report of the Endowment Fund
 - e) decision on acceptance or rejection of endowment gifts

- f) election and dismissal of the Chair of the Administrative Board
 - g) determination of the level of remuneration for members of the Administrative Board and Supervisory Board
 - h) decision on establishment and termination of employment of employees of the Endowment Fund, determination of the level of their remuneration and performance of checks on their activity
 - i) approval of the internal regulations of the Endowment Fund
 - j) decision on provision of an endowment grant and conditions for provision of this
 - k) decision on dissolution of the Endowment Fund and appointment of a receiver
 - l) decision on all issues which do not fall within the field of competence of another body of the Endowment Fund.
2. The Administrative Board may delegate performance of activity to the Chair of the Administrative Board, an employee of the Endowment Fund.

Article 12: Chair of the Administrative Board

The Chair of the Administrative Board acts independently on behalf of the Endowment Fund. The Chair of the Administrative Board is, in justified cases, entitled to authorise another member of the Administrative Board or employee of the Endowment Fund in writing to represent the Endowment Fund.

Article 13: Employees

1. The content of the employment relations of individual employees of the Endowment Fund, including their competences and remuneration, shall be determined by the Administrative Board.
2. The Chair of the Administrative Board is the management employee in relation to employees of the Endowment Fund.
3. Employees of the Endowment Fund are obliged to preserve the confidentiality of facts they have learned of in relation to their activities.

Article 14: Supervisory Board

1. Above the framework of powers specified demonstratively in the Foundation Charter, the following also pertain to the field of competence of the Supervisory Board: the right to make statement with regards to proposals for new wording of the Statutes of the Endowment Fund and with regards to proposals for any possible change thereto.

Article 15: Administrative Board - meetings

1. Meetings of the Administrative Board are convened and chaired by the Chair of the Administrative Board. In the event of his absence, the meeting is chaired by the oldest member of the Administrative Board.
2. Meetings of the Administrative Board are held according to requirement, at least however 3x per year.
3. Meetings of the Administrative Board are convened by the Chair on the basis of
 - a) decision by the Administrative Board at the previous meeting
 - b) his/her own decision in view of circumstances requiring that a meeting be convened
 - c) justified request by one third of the members of the Administrative Board
 - d) justified request by any member of the Supervisory Board
4. A meeting of the Administrative Board shall be preceded by a written invitation which is distributed by e-mail to members of the Administrative Board at least 7 calendar days before the meeting is held. The invitation must include the date, time and location of the meeting and the agenda. In the case specified in paragraph 3 point b)-d) above, the invitation must include the reason why the convening part is requesting a meeting of the Administrative Board.

5. If the Administrative Board does not have a quorum at a duly convened meeting, the Chair shall immediately convene a new meeting of the Administrative Board.
6. Apart from members of the Administrative Board, meetings of the Administrative Board may be attended by any member of the Supervisory or representative of the founder. They must be allowed to speak subject to request. Other parties may also participate in meetings of the Administrative Board on the basis of decision by the Administrative Board.
7. The Administrative Board makes decisions by voting with a show of hands unless a secret vote has been agreed subject to request by a member. In the event of decision on endowment grants, names of voters must be specified.
8. Minutes are drawn up of the meeting of the Administrative Board and are signed by the person chairing the meeting. The minutes must include the date, time and location of the meeting, a list of members of the Administrative Board present and a list of other persons participating in the meeting, the agenda, a summary of the discussion and decisions adopted by the Administrative Board.
9. Proposal for voting by correspondence, which only the Chair of the Administrative Board is entitled to call for, must include proposal for the decision, materials needed for evaluation and the deadline for voting, which must not be less than 14 days in the case of evaluation of grant applications and no less than 7 days in other cases. Votes are submitted by individual members of the Administrative Board to the Chair of the Administrative Board and also to all other members of the Administrative Board. The Chair of the Administrative Board informs members of the Administrative Board of the result of voting immediately after conclusion of voting. A decision which was adopted by correspondence must be included in the minutes of the next meeting of the Administrative Board.

Article 16: Supervisory Board - meetings

1. Article 15 of these Statutes shall apply mutatis mutandis for convening meetings of the Supervisory Board, with the exception of point 6.
2. Meetings of the Supervisory Board may be attended by a representative of the founder. They must be allowed to speak subject to request. The Supervisory Board may request that any member of the Administrative Board participate in its meetings and provide explanation with regards to any issue relating to the Endowment Fund. Other parties may also participate in meetings of the Supervisory Board on the basis of decision by the Supervisory Board.

Article 17: Administrative Board and Supervisory Board – obligations

1. A member of the Administrative Board and Supervisory Board shall discharge their office to the best of their knowledge and belief and regardless of their previous employment or other labour relations.
2. A member of the Administrative Board and Supervisory Board shall discharge their office in a professional, objective and unbiased manner and without pursuing their own personal interests with the requisite loyalty and also with the requisite expertise and care.
3. While making decisions about provision of endowment grants, a member of the Supervisory Board must not favour personal or group interests, or allow himself/herself to be influenced by positive or negative relations with specific applicants.
4. Each member of the Administrative Board and Supervisory Board is obliged:
 - a) to participate in meetings of the respective board
 - b) to actively participate in the activity of the respective board, to familiarise himself/herself with materials and to perform the duties given by the Foundation Charter, the Statutes or ensuing from a decision of the given board.
 - c) to preserve the confidentiality of facts they have learned of in relation to their activities.

Part IV. Support

Article 18: Conditions for provision of an endowment grant

1. The Endowment Fund provides endowment grants in accordance with the purpose which it was established for.
2. The Endowment Fund provides endowment grants for the following types of projects:
 - a. feature films
 - b. TV films
 - c. series
3. The applicant may be a legal person or natural person which/who has their registered office, place of business or residence address within the territory of the Czech Republic, if such a person also meets one of the conditions of the following paragraph 4.
4. The applicant may be:
 - a) a legal or natural person which/who is, on the basis of contractual arrangement, commissioned by a producer with registered office outside of the Czech Republic with submission of an application for an endowment grant
 - b) a legal or natural person which/who is a co-producer of the project being applied for, where at least one of the co-producers of this project has a registered office outside the territory of the Czech Republic (a so-called foreign project)
5. The Administrative Board of the Endowment Fund announces grant proceedings for provision of an endowment grant.
6. Grant proceedings are commenced by publication of a Call for submission of applications for an endowment grant (hereinafter referred to only as "Call"). Individual Calls define the basic parameters of the grant proceedings. Calls are published on the website of the Endowment Fund.
7. Endowment grants are awarded solely on the basis of selection from applications submitted to the grant proceedings in the form of provision of funds in accordance with the Statutes, the Foundation Charter and conditions for provision of endowment grants which the Administrative Board accepts.
8. The Administrative Board shall judge each project on the basis of the criteria specified in article X point 5 of the Foundation Charter of the Endowment Fund and shall, on the basis of these, decide to provide or not to provide an endowment grant for the specific project and the level of the endowment grant.
9. The Administrative Board is obliged to justify its decision for each project.
10. The decision of the Administrative Board of the Endowment Fund is final and no appeal against this is possible.
11. An endowment grant may only be awarded if it complies with the legal regulations for public support within the meaning of art. 107 et seq. Treaty on the Functioning of the European Union.
12. The Endowment Fund is entitled to cancel grant proceedings or to not award any endowment grant.
13. The applicant must be notified in writing of the decision of the Administrative Board on awarding of an endowment grant or decision to not award an endowment grant and the justification for such decision, this being within 14 calendar days of the date of decision by the Administrative Board, whereas the Administrative Board of the Endowment Fund must make a decision on an application within the deadlines specified in art. X. point 6 of the Foundation Charter.
14. Decisions of the Administrative Board of the Endowment Fund on provision of an endowment grant shall be implemented by the Chair of the Administrative Board of the Endowment Fund.

15. The Endowment Fund shall conclude a Contract on provision of an endowment grant with the recipient of the endowment grant (hereinafter referred to only as "Contract") which shall among other things include the obligations specified below in paragraph. 16 and 17 of this article of the Statutes.
16. The recipient of the endowment grant is obliged to allow the Endowment Fund to verify use of the endowment grant by viewing the respective documentation or, subject to request, to prove the purpose which the endowment grant was used for.
17. The recipient of the endowment grant is obliged to submit to the Endowment Fund billing for the endowment grant by the deadline determined in the contract.
18. The Administrative Board is entitled, by means of its individual rulings, to regulate details for procedure when providing an endowment grant, whereas it is obliged to maintain compliance with the Foundation Charter and Statutes of the Endowment Fund.

Article 19: Conflict of interest

1. An endowment grant cannot be provided to the founder or members of the bodies of the Endowment Fund and their direct relatives.
2. A member of the Administrative Board who has a conflict of interest shall be excluded from evaluation of the project, decision on the project and also that part of meetings of the Administrative Board dealing with the specific project. They shall also be excluded from evaluation of projects and decision on projects which are judged by the same meeting of the Administrative Board as that project in which there is a conflict of interest.
3. A member of the Administrative Board has a conflict of interest in the following cases:
 - a) if he/she or his/her direct relative is participating in implementation of the project
 - b) if he/she or his/her direct relative has any economic interest in implementation (they provide a service which is essential for implementation of the project, e.g. rental of the location for implementation of the project etc.)
 - c) if the applicant is a legal person in which a member of the Administrative Board or his/her direct relative holds such a position in which he/she participates in decisions on direction of this legal person (e.g. an Executive Director or partner etc., even if the member of the Administrative Board or his/her direct relative is not working directly on the specific project.
4. In other cases discussed by the Administrative Board, each member of the Administrative Board is obliged to discharge their office in such a way as to ensure that no conflict of interest arises between their personal interests and the interests which they are obliged to promote or defend by virtue of their position. For the purposes of these Statutes, personal interest shall be understood to mean such an interest which provides a member of the Administrative Board personal benefit or prevents the creation of any possible decrease in economic or other benefit. In such a case, the member of the Administrative Board shall be obliged to declare their personal interest and to not participate in that specific vote.

Part V. Final provisions

Article 20: Effectiveness

These Statutes become effective on March 31, 2017.