SNOWBATE PRODUCTION INCENTIVE PROGRAM GUIDELINES

Snowbate is a production incentive passed by the Minnesota Legislature and signed into law by the Governor to create new film production jobs in Minnesota (MN Statutes, section 116U.26). It is a reimbursement of up to 15 percent of production costs incurred in Minnesota by eligible productions that spend $5,000,000 or less in Minnesota within 12 months from date of project certification, and up to 20 percent for productions that spend in excess of $5,000,000 in Minnesota within 12 months of project certification. Reimbursements of up to 20 percent of film production costs will be made to productions that either (1) shoot 60% of production days outside of the metropolitan area as defined in section 473.121 subdivision 2 (https://www.revisor.mn.gov/statutes/?id=473.121), within 12 months from date of project certification OR (2) spend at least 60% of the total production budget outside of the metropolitan area as defined in section 473.121, subdivision 2 within 12 months from date of project certification. A map of the Minnesota Metropolitan Area boundaries and statute 473.121, subdivision 2 defining excluded cities is attached.

Eligible productions include feature films, national TV series, internet programs, documentaries, music videos and TV commercials, shot on film, video or digital media that directly create new film production jobs in Minnesota.

The Minnesota Film and TV Board's goal is to maximize the number of new jobs created and positive economic impact realized by the State of Minnesota as a result of the Snowbate program. To that end, MFTVB has established requirements for each category of production defined by statute as eligible for reimbursement under Snowbate. Those requirements are defined below. Also defined below are types of production expenses incurred in Minnesota that are considered eligible expenses under Snowbate. Eligibility of reimbursements is based on the language of the statute cited above and is non-negotiable.

Snowbate payments to producers are on a first come, first served basis with priority given to the projects order in the “Queue” as defined hereinafter. Submission of an application does not in any way guarantee that you will receive a reimbursement or that reimbursement funds will be available. Snowbate funds are available until the appropriation is spent, Applications are received and reviewed by MFTVB with final approval and reimbursement payment from the State of Minnesota.

ELIGIBILITY REQUIREMENTS FOR SNOWBATE REIMBURSEMENT

ALL PRODUCTIONS:
To be eligible, all categories of productions must be consistent with the purpose of the funding legislation, Minnesota Statutes section 116U.26, creating new film production jobs in Minnesota. Applications must be received from Producers or Production Companies. All productions receiving Snowbate reimbursement that include onscreen credits must include the Snowbate logo in those credits. Logo is available from Snowbate Administrator.

FEATURE FILMS:
To be eligible, films must have a running time of at least 80 minutes. A minimum of sixty percent (60%) of principal photography must occur in Minnesota or a minimum of sixty percent (60%) of combined production and post production budget must be spent in Minnesota; and the production must provide the MFTVB with a completion bond, letter of guarantee or equivalent proof of funding. There must be sufficient funding in place in order for the production to proceed before a project will be certified. Feature films may be asked to submit call sheets, production logs or equivalent in order to verify minimum 60% MN requirement.

NATIONAL TV SERIES:
To be eligible, National TV Series should be preparing for production of its first season at the time of initial application with a distribution agreement or letter of commitment from a national broadcast or cable network. A letter from the network or production company should accompany the application indicating the degree to which the Snowbate program influenced the decision to produce the series in Minnesota. A minimum of sixty percent (60%) of the total production budget must be spent in Minnesota. Applicants in the TV Series category should apply quarterly for project certification. TV Series will be limited to four (4) quarters of reimbursement beginning July 1, 2010.

DOCUMENTARIES:
To be eligible, the total production budget must be at least $200,000, with a minimum of sixty percent (60%) of total budget spent in Minnesota.

**MUSIC VIDEOS:**
To be eligible, the total production budget must be at least $50,000, with a minimum of sixty percent (60%) of total budget spent in Minnesota.

**TV COMMERCIALS:**
Minnesota and non-Minnesota companies may apply. To be eligible, a TV commercial must meet one of two requirements. (1) Have national distribution (a media buy that covers more than 50% of US households); or (2) Have a total production budget of at least $200,000. In addition to satisfying either (1) or (2) above, a minimum of at least 60% of the total commercial production budget must be spent in Minnesota. Production companies based in Minnesota can satisfy the $200,000 budget minimum by applying jointly with a Minnesota based post-production company.

**INTERNET:**
To be eligible, Internet programs must be linear, non-interactive works presented under one creative treatment. In addition, the Internet program must fall into one of the categories listed above and eligibility requirements of that category will apply (i.e.: if a commercial for the internet, TV commercial rules will apply).

**CATEGORIES OF PRODUCTION THAT ARE NOT ELIGIBLE BY STATUTE:**
- News, current events, public programming, or programs that include weather or market reports
- Production with respect to a questionnaire or contest
- Gala presentation or awards show
- Finished production that solicits funds
- Home shopping programming
- Production for which the Production Company is required under United States Code title 18, section 2257, to maintain records with respect to a performer portrayed in a single-media or multimedia program

**MINNESOTA PRODUCTION EXPENDITURES ELIGIBLE FOR REIMBURSEMENT:**
- Airfares (MN based airlines only-Delta airfares are no longer eligible), Lodging, and Transportation (including Rentals, Fuel, Mileage, Parking)
- Minnesota Personnel including Screenplay/Script writing fees, Crew, Production Personnel (including Fringes), Legal Fees relating to Production Contracts (i.e.: Labor contracts, licensing rights etc. are allowed). **NOTE: LEGAL FEES RELATING TO DEVELOPMENT, MARKETING OR BUSINESS ENTITY SET UP ARE NOT ALLOWED.**
- Acting Talent, Agent fees and Legal fees relating to Talent Contracts
- Per Diem paid to all MN resident and non-resident personnel only while working in MN. (REQUIRES AN AFFIDAVIT)
- Sets, Props and Wardrobe including Set Construction, Materials, Purchases and Rentals
- Production Office Rental, Production Office Equipment Rental and Production Office Supplies
- Studio/Soundstage Rental
- Equipment Rental including Camera, Grip, Lighting and expendables
- Tape, Film Stock, Digital Storage Devices and related processing including Film Transfer and Dailies
- Food and Catering Expenses including Craft Service, Working Meals and Crew Meals (PURCHASES OF ALCOHOLIC BEVERAGES ARE NOT ELIGIBLE FOR REIMBURSEMENT. ITEMIZED RECEIPTS ARE REQUIRED OR AFFIDAVIT STATING NO ALCOHOL IS INCLUDED.)
- Location Expenses including Location and Permit Fees
- Editing and related post production expenses, including Legal Fees relating to post production i.e. Labor Contracts, Licensing of music etc.
- Other direct costs of producing the Film, TV Commercial, TV Show, Documentary, Music Video or Internet Program.
PRODUCTION EXPENDITURES THAT ARE NOT ELIGIBLE FOR REIMBURSEMENT INCLUDE, BUT ARE NOT LIMITED TO:

- Alcoholic Beverages/Tobacco
- Legal Fees Relating to Development, Marketing or Business Set up
- Capital Equipment Purchases (with the exception of portable hard drives)
- Wrap Parties
- Gifts
- Expenses relating to illegal activities including, but not limited to, tickets for parking or moving violations, towing fees etc.
HOW TO APPLY FOR SNOWBATE
APPLYING FOR SNOWBATE IS A FIVE-STEP PROCESS.

1. PRODUCTION ENTITY CERTIFICATION

This application must be completed by the Entity (Production Company or Producer). There is no fee to apply. Your Entity should be certified by the Minnesota Film and TV Board (MFTVB) before a specific Project Application will be considered. The Production Entity Application form is available at www.mnfilmtv.org.

This form should be sent to MFTVB along with a CERTIFICATE OF GOOD STANDING, proof of good standing or equivalent from your state. This application will remain on file with MFTVB. If any of the information submitted on this form changes, a new Production Entity Certification should be submitted. The MFTVB retains the right to ask for an updated Production Entity Certification or updated Certificate of Good Standing at any time. Please be sure your Entity Certification form is complete and includes your Certificate of Good Standing when it is submitted to our office.

2. PROJECT CERTIFICATION

This application should be completed for each project. There is no fee to apply. The Project Certification form is available at www.mnfilmtv.org.

Applications for Project Certification must be submitted BEFORE PRINCIPAL PHOTOGRAPHY BEGINS. Please be sure your Project Certification Application is complete (including all attachments as listed below).

INCOMPLETE APPLICATIONS WILL NOT BE CERTIFIED.

Projects are considered certified when MFTVB assigns a project number and notifies you of your certification. Projects will not be certified until ALL required materials are received and reviewed by MFTVB.

EXPENSES INCURRED BEFORE YOUR PROJECT CERTIFICATION (THE DATE ON THE PROJECT CERTIFICATION LETTER) WILL NOT BE ELIGIBLE FOR REIMBURSEMENT.

IN NO CASE WILL EXPENSES INCURRED PRIOR TO JULY 1, 2010 BE ELIGIBLE FOR REIMBURSEMENT.

ATTACHMENTS TO PROJECT CERTIFICATION:

ALL PRODUCTIONS

- Entity Certification form (if first time applicant or if information has changed), Project Certification Form, Project Certification Affidavit (Notarized) stating your project meets the “ELIGIBILITY REQUIREMENTS FOR SNOWBATE REIMBURSEMENT” rules as listed above (sample affidavit available at www.mnfilmtv.org)
- Current Production Budget
- Script, Storyboard, Synopsis or Treatment (one of these)

FEATURE FILMS

- Proof of funding: completion bond or equivalent (i.e. letter from bank stating that 60% of the budget is available in the primary account). There must be sufficient funding in place in order for the production to proceed before a project will be certified.
- Items listed in “All Productions”

NATIONAL TV SERIES

- Letter from the network or production company indicating that the series is in its first season and the degree to which the Snowbate Program influenced the decision to produce the series in Minnesota.
- Distribution agreement or equivalent.
- Plus required items listed in “All Productions”
**DOCUMENTARIES**
- The required items listed in "All Productions"

**MUSIC VIDEOS**
- The required items listed in "All Productions"

**TV COMMERCIALS**
- If seeking eligibility under the "national distribution" requirement you should provide a letter from the ad agency, advertiser or media buying entity on their letterhead (printed or electronic). The letter should state the following: "I represent and warrant on behalf of ___________ (production company) ___________ that the TV Commercial ___________ has or shall be subject to a national television media buy that will cover at least 50% of all US households."
- Plus the required items listed in "All Productions"

**INTERNET**
- The required items listed in "All Productions" plus attachments listed for the category above that the program is eligible in (i.e.: if a commercial on the internet, then requirements listed under TV commercials will apply).

### 3. SNOWBATE PROCESSING PROCEDURES MEETING

Once your project is certified, you must contact the Snowbate Administrator to arrange a meeting to discuss processing procedures. This meeting should be scheduled as soon as possible BEFORE production begins and BEFORE preparing the Snowbate Expenditure Report (SER).

### 4. SNOWBATE EXPENDITURE REPORT (SER)

The Snowbate Expenditure Report (SER) form and instructions are available at www.mnfilmtv.org. Projects with $1,000,000 or less of MN Expenditures within 12 months from project certification are required to complete the full Snowbate Expenditure Report.

Projects with $1,000,000 or more of MN Expenditures within 12 months from project certification will be required to submit a review of expenditures by a certified public accountant instead of copies of receipts and invoices. The MFTVB will cover the cost of this review.

**ALL PROJECTS SHOULD COMPLETE AND SUBMIT THE SNOWBATE EXPENDITURE REPORT COVER SHEET LISTING TOTALS FOR ALL CATEGORIES.**

### EXPENDITURE DOCUMENTATION

All expenditures must be documented and paid to MN Residents or MN Companies (with the exception of per diem paid to non MN residents while they are in MN). To verify MN residency, all submissions should include a signed and NOTARIZED affidavit stating that all personnel included are MN Residents. (sample affidavit available at www.mnfilmtv.org.)

Keep copies of a valid MN driver’s license, ID card, MN voter registration card or equivalent as proof of MN residency on file for all MN personnel. The MFTVB, the State of Minnesota, the State Auditor and the Legislative Auditor reserve the right to conduct an examination of the Drivers Licenses, ID cards, MN voter registration cards or equivalent you have on file for a minimum of six years.

All copies of receipts and invoices should include a date (mm/dd/yy), MN address and amount. If any of this information is missing or illegible the expenditure may be deleted from the submission and no reimbursement will be paid on that item. **Any expenditure listed for less than $100, which is not complete, is illegible, is listed incorrectly or is in the incorrect section of the report will be deleted and no reimbursement will be paid on that item.**

### 5. PROCESSING, APPROVAL AND PAYMENT OF REIMBURSEMENT

Once all the required documents are received by MFTVB, the SER and back-up documentation are reviewed. If additional documentation is required or there are questions on the submission, production companies will have 10 business days to respond with the requested information. After that time, the questioned items will be deleted.
from the submission. Upon MFTVB approval, the application is sent to the State of Minnesota for review, final approval and payment of reimbursement. All books, records, documents, accounting procedures and practices relevant to the reimbursements are subject to examination by MFTVB and/or The State of Minnesota and/or The State Auditor for a minimum of six years.

**DEADLINES**

FAILURE TO MEET DEADLINES MAY RESULT IN PROJECT DISQUALIFICATION, LOSS OF PLACE IN QUEUE AND/OR LOSS OF REIMBURSEMENT.

**PRODUCTION ENTITY CERTIFICATION APPLICATIONS**
Production Entity Certification Applications will be accepted at any time, but should be received prior to or along with Project Applications. Entity Applications are valid until applicant information changes or the MFTVB or State of Minnesota ask for an updated application.

**PROJECT CERTIFICATION APPLICATIONS**

- Applications for Project Certification must be submitted before principal photography begins.
- Queue rules will apply (see THE QUEUE below).

**SNOWBATE EXPENDITURE REPORT SUBMISSION (SER)**

Snowbate Expenditure Report (SER) or Snowbate Expenditure Review by a CPA with all supporting documentation should be received on the following schedules:

- **Feature Films, Documentaries and Music Videos** may submit more than one SER. SER for production (shooting) portion of the project should be received not more than 60 days from the end of production. SER for Post Production/Editorial should be received not more than 60 days from the end of post production. Failure to meet deadlines may result in project disqualification, loss of place in queue and/or loss of reimbursement.

- **TV Series** should submit an SER quarterly, not more than 60 days from the end of the calendar quarter (3/31, 6/30, 9/30, 12/31). Failure to meet deadlines may result in project disqualification, loss of place in queue and/or loss of reimbursement. **NOTE: AS OF JULY 1, 2010 REIMBURSEMENT FOR TV SERIES IS LIMITED TO FOUR (4) QUARTERS**

- **TV Commercials** should submit one SER per project, and not more than 60 days from conclusion (if application is for production only, 60 days from end of shoot; if editorial is included, 60 days from end of editorial). Failure to meet deadlines may result in project disqualification, loss of place in queue and/or loss of reimbursement.

- **Internet Programs** should submit their SERs according to the schedule described in the category they are eligible in above (i.e.: if a commercial on the internet, follow the submission deadlines described in the TV commercial category).

**THE QUEUE**

Because it’s possible that applications for Snowbate reimbursements could exceed the total amount appropriated by the State for the Snowbate program, the MFTVB has a queuing process to provide producers with some degree of certainty that funds will be available for reimbursement when they conclude production and submit a Snowbate Expenditure Report (SER).

**HOW THE QUEUE WORKS**

Once your project is certified (projects are considered certified when MFTVB assigns a project number and notifies by letter of your certification), it is placed in a “Queue”. The Queue is a list of certified Snowbate projects ordered by the date of certification. The MFTVB will allocate available funds to Certified Projects in the queue in an amount equal to up to 15 percent of the estimated Minnesota expenditures for projects which spend less than $5,000,000 within 12 months of project certification, and up to 20 percent of estimated...
Minnesota expenditures for productions that locate production outside the metropolitan area, or that incur production costs in excess of $5,000,000 in the metropolitan area within a 12 month period as indicated on your Snowbate Project Certification Application.

The estimated reimbursement amount will not be allocated to any other certified project except as set forth below under "Loss of Place in Queue". Please note that project applications are always subject to Snowbate Guidelines as described in this document and the general Snowbate Terms and Conditions (available at www.mnfilmtv.org), including the term titled "No Guarantee of Reimbursement".

If your Queued estimated expenditures change after you are certified, please notify our office immediately. If the estimated expenditures will be less than your original estimate we will change your Queued amount accordingly and release the funds for other projects. Your queued amount cannot be increased even if your estimated expenditures increase after certification.

LOSS OF PLACE IN QUEUE
A project may lose its place in the Queue and the estimated reimbursement amount may be released for allocation to other projects if:

- The Production Entity falls out of good standing with the Secretary of State in which the entity is incorporated; Production is suspended, funding is lost, the production entity notifies MFTVB that the production will not take place in Minnesota or will not be eligible for reimbursement because it no longer meets the 60% rule or any other eligibility rule;
- MFTVB has evidence that the production will not occur, will not meet the 60% rule, or will be ineligible for reimbursement for some other reason;
- Principal photography (if less than $5,000,000 of MN expenditures) does not start within 60 days after project certification;
- Fails to meet deadlines as described in DEADLINES above.

A Certified Project that has lost its place in the Queue may reapply by completing and submitting a new project certification application with new attachments.

PLEASE NOTE: BECAUSE SNOWBATE IS FUNDED WITH TAXPAYER DOLLARS, ALL INFORMATION SUBMITTED BY APPLICANTS ACCEPTED INTO THE PROGRAM MAY BE SUBJECT TO PUBLIC DISCLOSURE.

CONTACT

MN Film and TV Board
401 North 3rd Street, Suite 440 Minneapolis, MN 55401

PHONE: (612) 767-0095
FAX: (612) 767-2425
EMAIL: jill@mnfilmtv.org
WEB: www.mnfilmtv.org
SNOWBATE TERMS AND CONDITIONS

INTRODUCTION
These Terms and Conditions ("Terms") constitute a legally binding agreement between the Production Company ("you" or "your") and the Minnesota Film & TV Board (the "MFTVB", "we," or "us").

CHANGES
We may change these Terms and/or the eligibility criteria for entity and project certification at any time. Changes will be posted on the MFTVB website www.mnfilmtv.org.

NO GUARANTEE OF REIMBURSEMENT
Submission of an application or other materials for entity and/or project certification does not, in any way, guarantee or ensure certification or approval by us. Furthermore, even if an entity or project is certified, there is no guarantee that you will receive a reimbursement or that reimbursement funds will be available.

APPLICATION PERIOD
In order to be considered for reimbursement, expenditures must be incurred from July 1, 2010. All forms and applications should be submitted as described in the Snowbate Production Incentive Program Guidelines.

LIMITATION OF LIABILITY
IN NO EVENT SHALL THE MFTVB, ITS OFFICERS, DIRECTORS OR EMPLOYEES OR AGENTS BE LIABLE FOR LOST PROFITS OR ANY DAMAGES OF ANY KIND, INCLUDING, BUT NOT LIMITED TO, DIRECT, INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, ARISING OUT OF OR IN CONNECTION WITH THE REIMBURSEMENT APPLICATION, CERTIFICATION, OR AWARD PROCESS HOWEVER ARISING, INCLUDING NEGLIGENCE.

REPRESENTATIONS AND WARRANTIES OF PRODUCTION COMPANY
By signing and submitting an entity, project, or specific expense certification application, you represent and warrant: (1) that all information provided in or with your application is true and accurate, and that any subsequent statements will be true and accurate; (2) that you will provide the MFTVB with prompt written notice if any past statement is no longer true and accurate; (3) that you have the authority to bind the entity on whose behalf you are signing; and (4) that the project for which you are seeking certification is a bona fide Film, Documentary, TV Series, Music Video, TV Commercial or Internet project and not primarily a vehicle to seek reimbursement.

REQUIRED DISCLOSURES
You must disclose on a separate sheet of paper attached to your Application for Snowbate Production Entity Certification whether the Production Company or any of the principal owners of the Production Company (greater than 2% ownership interest) has or have: (1) been involved in any litigation within the last three (3) years; (2) filed for bankruptcy protection or protection from creditors within the past five (5) years; or (3) been charged with, convicted of, or pleaded nolo contendere (no contest) for any crime, including but not limited to any crime involving obscenity, indecency, or similar misdemeanor or felony laws involving the participation of or victimization of a minor. If the answer to any of the previous items 1-3 is yes, you must provide a brief explanation on the attached sheet. If a Production Company or its principal owners have a significant history of failing to pay employees, vendors, or other obligations, fiscal irresponsibility, or criminal activity, such Production Company will not be eligible for reimbursement under the Snowbate program.

INDEMNIFICATION
You agree to indemnify, defend and hold the MFTVB harmless from and against any and all costs, liabilities, losses and expenses (including, but not limited to, reasonable attorneys’ fees) resulting from any claim, suit, action or proceeding brought by any third party against the MFTVB alleging or arising from false statements or information provided by you or any breach of these Terms by you. You are aware that the submission of any false information or omission of any pertinent information resulting in the false representation of a material fact may subject you to civil and/or criminal penalties, and you agree in the event of a material breach of this agreement to immediately repay any and all reimbursements you have received.
CONFIDENTIALITY WAIVER
You understand and agree that all information and materials submitted to the MFTVB are non-confidential and may be disclosed to third parties by the MFTVB. You hereby waive and release the MFTVB from any claim or obligation relating to the confidentiality or alleged trade secret nature of any materials or information you submit to the MFTVB.

RETURN OF INFORMATION
You understand and agree that your application and information submitted with it shall become the property of the MFTVB and will not be returned to you.

GOVERNING LAW
The laws of the State of Minnesota govern these Terms and any dispute you may have with the MFTVB, without reference to its choice-of-law principles. You agree that the only proper jurisdiction and venue for any dispute with the MFTVB is in the State of Minnesota, U.S.A. You further agree and consent to the exercise of personal jurisdiction in these courts in connection with any dispute involving the MFTVB or its officers, directors or employees. If any provision of these Terms are determined to be invalid under any applicable statute or rule of law, such provision or clause is to that extent to be deemed omitted, and the balance of the Terms shall remain enforceable.

SEVERABILITY
If any provision of these Terms is held to be invalid or unenforceable, such provision shall be struck and the remaining provisions shall be enforced. The MFTVB’s failure to act with respect to any failure by you or others to comply with these Terms does not waive the MFTVB’s right to act with respect to similar or subsequent failures.
SNOWBATE EXPENDITURE
SUBMISSION INSTRUCTIONS

PLEASE LIST YOUR SNOWBATE PROJECT NUMBER ON ALL DOCUMENTS, ALL CORRESPONDENCE AND IN THE SUBJECT LINE OF ALL EMAILS.

Once your project is certified, contact the Snowbate Administrator to schedule a meeting to discuss processing procedures. This meeting should be scheduled BEFORE production begins and BEFORE preparing the Snowbate Expenditure Report (SER).

Projects with $1,000,000 or more in MN Expenditures within 12 months of project certification will be required to submit a review of expenditures by a certified public accountant instead of copies of receipts and invoices.

Projects with up to $1,000,000 of MN Expenditures within 12 months of project certification should complete the full Snowbate Expenditure Report (SER)

ALL PROJECTS SHOULD COMPLETE THE COVER SHEET LISTING TOTALS FOR EACH CATEGORY.

SNOWBATE EXPENDITURE REPORT (SER)
The Snowbate Expenditure Report (SER) is an Excel Document. It has a cover sheet with a separate sheet for each category. The totals from each tab/category are programmed to roll-up to the cover page of this report (SB Cover Sheet). The Expenditure Report should be submitted in hard copy, signed with attachments (copies of invoices/receipts) and required affidavits AND electronically via email. Fill out all forms completely. YOU SHOULD SUBMIT YOUR EXPENDITURE REPORT ON OUR FORM IN HARD COPY AND ELECTRONICALLY.

Only MN expenditures are eligible. Alcohol and tobacco are not allowed. If Meal Receipts are from a restaurant that serves alcohol the receipt should show detail of purchases (i.e.: top credit card copy alone is NOT enough). Refer to the Snowbate Production Incentive Guidelines for more detail on eligible expenditures. If itemized receipts for meals are not included, we will accept a signed and NOTARIZED affidavit stating that no alcohol was included in the submission (sample affidavit available at www.mnfilmtv.org)

All invoices/receipts should show a MN address, date and amount. Please make sure copies of receipts are legible. Original receipts that are taped or highlighted may not copy well. If we cannot clearly read the information, the expense will not be allowed. If the MN address, date or amount are not printed on the receipt, you may write this information on the receipt. We DO NOT need copies of your checks, purchase orders, packing slips, petty cash reports or reconciliations etc. ONLY the receipt or invoice that clearly shows the MN address, date and amount. Make sure the date of the invoice or receipt is within the period covered by the application. IF ANY OF THE REQUIRED INFORMATION IS MISSING OR ILLEGIBLE, WE WILL DEDUCT THAT AMOUNT FROM YOUR APPLICATION. PLEASE CHECK YOUR COPIES BEFORE YOU SEND THEM TO US. If additional documentation is required or there are questions on the submission, production companies will have 10 business days to respond with the requested information. After that time, the questioned items will be deleted from the submission.

Any expenditure listed for less than $100 that is not complete, is illegible, is listed incorrectly or is in the incorrect section of the report will be deleted and no reimbursement will be paid on that item.

List each individual expenditure (invoice/receipt) in the proper category with invoice/receipt copies attached and numbered to correspond to the list. Please attach copies in the same order they are listed. Do not list a group of expenses as one total with notation to “see Petty Cash”; you should list each invoice/receipt on our form with the invoice/receipt attached in the same order. You should list the vendor or payee name for each expenditure.

BLACK OUT SOCIAL SECURITY #’S FROM ALL DOCUMENTS SUBMITTED INCLUDING INVOICE COPIES AND PAYROLL REGISTERS.
**SUBMISSION TIPS:**

- Read all the materials BEFORE you start production, follow the directions and contact us immediately if you have any questions.
- List the vendor or payee name on our form (i.e.: Dunn Brothers Coffee NOT Mary Jones/PC) with each individual receipt amount. The date on the list should be the date of the invoice/receipt (not the date of the check or petty cash disbursement). The # on the list should be the invoice/receipt # (not the check#).
- Since we require expenditures to be submitted by category, it is helpful to group your petty cash in like categories. (i.e.: list all transportation together, meals together, props together etc). It is most helpful if you can notify your production staff of this grouping BEFORE you start production.

**PERSONNEL AND TALENT**

Personnel should be separated into two categories: New Personnel and Retained Personnel. New Personnel is defined as a new paid position (pay commensurate with industry standards) that was created specifically for the certified project. Retained personnel is defined as a paid position (pay commensurate with industry standards) that was not created specifically for the certified project. MFTVB is required to report to the State of Minnesota the full-time equivalent (FTE) jobs created by each production participating in Snowbate. All MN personnel and talent are eligible for reimbursement, however, only MN personnel who earn at least Federal minimum wage ($7.25) will be counted as an FTE. Talent will not be included in FTE calculations at this time.

To verify MN residency, if submitting personnel and/or talent expenditures, all submissions should include a signed and NOTARIZED affidavit stating that all personnel included are MN Residents (sample affidavit available at www.mnfilmtv.org ) Home addresses for all MN personnel and talent must be listed on the SER form in the designated column. You should keep on file a copy of a valid MN driver’s license, ID card, MN voter registration card or equivalent as proof of MN residency. The MFTVB and/or the State of Minnesota and/or the State Auditor reserve the right to conduct an examination of the Drivers Licenses, ID cards or equivalent you have on file for a minimum of six years. Fringes are allowed for MN Residents.

Payroll processing fees are allowed only if paid to a MN payroll company. Employee benefits (i.e. health insurance) are also allowed as long as they are paid to a MN company. Submit your payroll company invoice or internal payroll register to verify payroll paid to MN workers. Personnel addresses should be listed on the SER form in the designated column.

**MN PER DIEM**

Per diem paid to MN residents and Non-MN residents for the days that the personnel were in MN is eligible for reimbursement. A signed NOTARIZED affidavit stating that only per diem paid to workers while in MN is required if submitting per diem expenses.

(sample affidavit available at www.mnfilmtv.org)
DEADLINES

- Failure to meet deadlines may result in project disqualification, loss of place in queue and/or loss of reimbursement. The Snowbate Expenditure Report (SER) or Snowbate Expenditure Review by a CPA with all supporting documentation should be received on the following schedules.

- **Feature Films, Documentaries and Music Videos** may submit more than one SER. SER for production (shooting) portion of the project should be received not more than 60 days from the end of production. SER for Post Production/Editorial should be received not more than 60 days from the end of post production. Failure to meet deadlines may result in project disqualification, loss of place in queue and/or loss of reimbursement.

- **TV Series** should submit an SER quarterly, not more than 60 days from the end of the calendar quarter (3/31, 6/30, 9/30, 12/31). Failure to meet deadlines may result in project disqualification, loss of place in queue and/or loss of reimbursement. **NOTE**: as of July 1, 2010 reimbursement for TV Series is limited to four (4) quarters.

- **TV Commercials** should submit one SER per project, and not more than 60 days from the end of the project (if application is for production alone deadline is no more than 60 days from end of shooting, if editorial is included, deadline is no more than 60 days from end of editorial). Failure to meet deadlines may result in project disqualification, loss of place in queue and/or loss of reimbursement.

- **Internet Programs** should submit their SERs according to the schedule described in the category they are eligible in above (i.e.: if a commercial on the internet, follow the submission deadlines described in the TV commercial category).

SHIP, MAIL OR MESSENGER A HARD COPY OF THE SER (SIGNED) WITH COPIES AND AFFIDAVITS TO:

**MN Film and TV Board**
401 North 3rd Street, Suite 440
Minneapolis, MN 55401

CONTACT THE SNOWBATE ADMINISTRATOR TO ARRANGE FOR TRANSMISSION OF THE ELECTRONIC VERSION OF THE SER.

CONTACT

MN Film and TV Board
401 North 3rd Street, Suite 440 Minneapolis, MN 55401

PHONE: (612) 767-0095
FAX: (612) 767-2425
EMAIL: jill@mnfilmtv.org
WEB: www.mnfilmtv.org
MINNESOTA STATUTE 473.121
SUBDIVISION 2

METROPOLITAN AREA OR AREA. “METROPOLITAN AREA” OR “AREA” MEANS THE AREA OVER WHICH THE METROPOLITAN COUNCIL HAS JURISDICTION, INCLUDING ONLY THE COUNTIES OF ANOKA; CARVER; DAKOTA EXCLUDING THE CITY OF NORTHFIELD; HENNEPIN EXCLUDING THE CITIES OF HANOVER AND ROCKFORD; RAMSEY; SCOTT EXCLUDING THE CITY OF NEW PRAGUE; AND WASHINGTON.
116U.26 FILM PRODUCTION JOBS PROGRAM.

(a) The film production jobs program is created. The program shall be operated by the Minnesota Film and TV Board with administrative oversight and control by the director of Explore Minnesota Tourism. The program shall make payment to producers of feature films, national television or Internet programs, documentaries, music videos, and commercials that directly create new film jobs in Minnesota. To be eligible for a payment, a producer must submit documentation to the Minnesota Film and TV Board of expenditures for production costs incurred in Minnesota that are directly attributable to the production in Minnesota of a film product.

The Minnesota Film and TV Board shall make recommendations to the director of Explore Minnesota Tourism about program payment, but the director has the authority to make the final determination on payments. The director's determination must be based on proper documentation of eligible production costs submitted for payments. No more than five percent of the funds appropriated for the program in any year may be expended for administration.

(b) For the purposes of this section:

(1) "production costs" means the cost of the following:

(i) a story and scenario to be used for a film;

(ii) salaries of talent, management, and labor, including payments to personal services corporations for the services of a performing artist;

(iii) set construction and operations, wardrobe, accessories, and related services;

(iv) photography, sound synchronization, lighting, and related services;

(v) editing and related services;

(vi) rental of facilities and equipment; or

(vii) other direct costs of producing the film in accordance with generally accepted entertainment industry practice; and

(2) "film" means a feature film, television or Internet show, documentary, music video, or television commercial, whether on film, video, or digital media. Film does not include news, current events, public programming, or a program that includes weather or market reports; a talk show; a production with respect to a questionnaire or contest; a sports event or sports activity; a gala presentation or awards show; a finished production that solicits funds; or a production for which the production company is required under United States Code, title 18, section 2257, to maintain records with respect to a performer portrayed in a single-media or multimedia program.

(c) Notwithstanding any other law to the contrary, the Minnesota Film and TV Board may make reimbursements of: (1) up to 20 percent of film production costs for films that locate production outside the metropolitan area, as defined in section 473.121, subdivision 2, or that incur production costs in excess of $5,000,000 in the metropolitan area within a 12-month period; or (2) up to 15 percent of film production costs for films that incur production costs of $5,000,000 or less in the metropolitan area within a 12-month period.

History: 2006 c 282 art 11 s 9a; 2008 c 363 art 10 s 17; 2010 c 215 art 8 s 12