

Gap financing for films

Gap loans can be used to close gaps in film financing. The loan is repaid from the revenue generated by the exploitation of the film.

Individuals and organizations eligible for subsidy

Target group

Gap loans can serve to close a gap in film financing projects. The loan is repaid from the revenue generated by the exploitation of the film. ILB ranks first in the recoupment plan.

ILB's gap financing is available to German production firms which implement a significant part of their film or TV project in the Berlin-Brandenburg media region.

Items eligible for support and subsidy

Support

A film project must fulfil the following requirements in order to qualify for ILB gap financing:

- Regional effect of at least 300% of gap financing in the Berlin-Brandenburg media region
- Thereof regional effect of at least 100% of gap financing in the federal state of Brandenburg
- The gap financing must fully close the film project's finance gap
- Adequate own share in production financing
- Contractual involvement of a recognised world sales company or sales agent and, in the case of cinema films, also of a German cinema distributor.

Gap financing is available for film projects which trigger expenditure in the Berlin-Brandenburg media region. In Brandenburg, this regional effect must at least correspond to the gap amount, and in the joint Berlin-Brandenburg region, to at least three times the gap amount. Trustee charges of public funding institutes and financing costs are not considered when calculating the regional effect.

Support and subsidy procedure

Financing

The loan is fully repaid from the proceeds of the exploitation of the film financed. More far-reaching redemption obligations can be agreed to from case to case. Interest must be paid irrespective of the exploitation of the film by the production firm. Payments are handled via a project account with a commercial bank.

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The loan decision is based on the risks resulting from the production of the film, the expected revenues and the company's situation.

Loan amount	EUR 100,000 min. to EUR 500,000 max.
Loan term	36 months max.
Mandatory redemption period from exploitation revenues	At least 10 years from start of exploitation
Handling fee	Once-off fee; up to 5% of the loan amount, payable no later than 10 days following the signing of the loan agreement, irrespective of whether or not the loan is used
Interest	Subsidy-free and risk-dependent variable interest, payable at the end of each quarter
Commitment interest	0.25% per month, payable at the end of the respective quarter
Profit share	5% to 10% after complete repayment of the loan (interest and redemption), payable at the end of the respective quarter; the profit participation is limited to a negotiable maximum amount, which however does not exceed 50% of the gap loan

Other important information

The claims for revenue from the exploitation of the film are assigned to ILB. ILB can request additional collateral.

A plausible and sufficient revenue forecast is essential for the loan decision.

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Description of the application procedure

Informal applications for gap financing can be submitted to ILB or Medienboard Berlin-Brandenburg GmbH. ILB's media team is then in charge of examining and handling your application.

Application procedure

Need information?

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Call ILB at +49331 660-1502 for further information.

Recipients	Film and TV producers
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Subsidy subjects	Gap financing for films
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Subsidy types	Loans
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