

Iranian Cinema, Prevailing Realities, Future Prospects

Policies and Approaches, Challenges and Obstacles, Capabilities, Qualitative and Quantitative Objectives

Policies and Approaches

- *Respect for human dignity through provision of basic necessities, contemporary welfare services and cooperative management
- *Creating a system for provision of equal opportunities for all members
- *Updating know-how and skills
- *Standardization of educational and welfare services
- *Expanding guild capabilities for greater coordination purpose of realizing cinematic objectives
- *Approaching world standards in terms of know-how, equipment, market economics and protective legal regulations
- *Expanding legal capabilities through revision of structures and existing cinematic relationships, as well as clarifying and correcting protective and supervisory laws and regulations

Challenges and Obstacles

- *Presence of structures leading to excessive government control
- *Dominance of statesmen's paternalistic view of filmmakers
- *Insufficient laws and regulations to support financial and spiritual rights
- *Lack of clear policies regarding government financial supports (Farabi Cinema Foundation)
- *Disregard by official media of the filmmakers' copyrights in airing films from TV

- *Lack of a scheme for the international protection of filmmakers' financial and intellectual rights
- *Disregard of the organizations responsible for the promotion of the culture of the Islamic Iran (Organization for Culture and Communications) with respect to the filmmakers' financial and intellectual rights in the international distribution of the Iranian films
- *Film inspection according to personal preferences and absence of representatives from the film community on the film license board
- *lack of a scheme for covering losses incurred by film producers whose productions never go on the public screens
- *Local film piracy and lack of a coding scheme
- *Near-monopolistic dominance of government institutions on the international film scenes
- *Shortage of laboratory facilities
- *Lack of modern cinema city
- *Lack of mobile film shooting equipment
- *Insufficient distribution supports
- *Expensive promotional facilities such as billboards and TV advertisement
- *Lack of international liaisons to help update skills and know-how
- *Weak cooperative attitudes among trade guilds
- *Unrealistic appearing family relations in the Iranian movies
- *Lack of insurance schemes (retirement, loss of job) for filmmakers
- *lack of knowledge and skills necessary for economic success on the international scenes

Capabilities

- *Possibility for institutionalizing the presence of the Iranian cinema in world gatherings and festivals
- *Central role of the Iranian culture among the Persian-speaking nations
- *Central role of the Iranian culture among the Islamic countries
- *Presence of trained and experienced manpower
- *Availability of young manpower
- *Possibility of realizing annual production levels of over 70 feature films and 2000 short films
- *Presence of reliable sound recording and editing studios
- *Variety of climates and natural scenery for location shooting
- *Presence of Iranian-born foreigners interest in introducing the Iranian cinema to world audiences
- *Presence of filmmaking trade guilds

Qualitative and Quantitative Objectives

- *Expansion and stabilization of the filmmakers' financial and intellectual rights through preparation and approval of protective laws and regulations
- *Preparation and approval of the law for the country's cinema system
- *Revision of the structure and duties of Farabi Cinema Foundation for the purpose of changing it from an ambiguous and bureaucratic support organization into an institution for provision of expensive equipment and services such as mobile film shooting equipment, geographical transport facilities and camping for the Iranian cinema
- *Transfer of import of filmmaking raw materials and stocks to filmmakers by encouraging the creation of filmmaking cooperatives
- *Establishing filmmaking support fund through preparation of clear regulations and standards for the purpose of extending loans for the production and exhibition of films, with a council composed of government representatives and selected members from the filmmaking guilds, including internal regulations

- *Drafting a program for preserving and promoting demand for the Iranian cinematic productions
- *Channeling subsidies to the distribution networks
- *Planning and taking necessary measures for the registration of the Iranian cinematic productions' copyrights in a third country to ensure filmmakers' rights in the world
- *Preparing and approving laws to support the construction of cinema cities in the form of tax payment
- *Construction of new movie theaters and renovation of the existing halls
- *Provision of mobile filmmaking equipment such as cranes, flight moving vehicles, etc.
- *Supporting the construction of shooting studios with the dimensions of a city district through extension of low-interest, long-term loans to the private sector
- *Preparing comprehensive data banks as a basis for job insurance and social welfare schemes
- *Establishing filmmakers fund to provide loss of job insurance and increasing retirement stipends enough for a decent living for artists
- *Creating a scheme of medical insurance for all filmmakers
- *Arranging short- and long-term training courses on technical and artistic subjects with the participation of foreign instructors
- *Dispatching filmmakers to participate in short- and long-term training courses arranged in countries with significant film industries
- *Planning and taking support measures to conduct market research for the Iranian films through covering the expenses related to market research, participation at international events, promotion of information dissemination, training manpower and awarding prizes to successful firms engaged in international film distribution
- *Preparing and approving film production and exhibition standards
- *Channeling media trend for the observance of juristic criteria in film production instead of the bureaucratic standards imposed under the term "social norms"
- *Ensuring continuous guild activities and drawing up suitable planning trend for the improvement of cooperative and guild works

Peace and harmony are the ways of the God Merciful

With a view to implementing the third article of the Constitution of the Islamic Republic of Iran, and for the purpose of organizing and taking maximum advantage of the manpower and supporting the cinematic productions, and to prepare suitable grounds for the active participation of filmmakers in the management of their activities and also to prevent the imposition of personal and unrealistic preferences resulting from lack of expert knowledge in specialized spheres, and trusting responsible and professional behavior from artists in the Islamic community, and believing in the sanctity of human faith and free choice, the bill for the law of the Organization of Cinema System and supporting the financial and intellectual rights of the cinematic productions in the Islamic Republic of Iran is presented for approval.

Part One: Organization of Cinema System

Chapter One: General Considerations and Definitions

Article 1. The law of the Islamic Republic of Iran's cinema system and supporting cinematic productions, aimed at the growth and expansion of the capabilities of Islamic Iran's film industry, including the improvement of the artistic, human and technical standards is approved with a view to safeguarding film producers and creators' copyrights, taking full advantage of the industry's capabilities and human resources within the teachings of monotheistic prophets regarding man's free and responsible choices as specified in the constitution of the Islamic Republic of Iran.

Article 2. The organization of cinema system of the Islamic Republic of Iran, hereinafter referred to as the organization, shall be an independent, non-government, public and

legal entity which is formed for the realization of the objectives and implementation of duties specified in chapter two of this law.

Article 3. The term “cinematic production” refers to all types of motion pictures or audiovisual programs that create the impression of motion and are made and exhibited in the form of feature, documentary or animation works on celluloid tapes, slides, magnetic tapes, discs and similar technical media with educational, informative, advertising or entertainment purposes and are presented in movie theaters or offered for sale in stores and public places or are exhibited through other channels.

Chapter Two: Objectives, Duties and Powers of the Organization

Article 4. The organization’s objectives include:

1. Safeguarding the financial and intellectual rights of filmmakers and cinematic productions
2. Participation in the country’s overall cultural management in the realm of film industry for the purpose of increasing the quantity and quality of cinematic productions, arranging training programs and film exhibitions in line with the aims and plans of the Islamic Republic of Iran
3. Providing job security and the social welfare of the film community
4. Safeguarding the rights of the audiences and consumers of cinematic productions and services
5. Creating suitable conditions for upgrading filmmakers’ technical knowledge and skill

Article 5. The duties and powers of the organization for the realization of the objectives enumerated in article 4 are:

1. Establishing methods to insure job security for filmmakers

2. Providing social and living welfare through creation of suitable insurances, such as medical, retirement and loss of job insurances as well as the creation of social welfare cooperatives
3. Insuring the rights of the viewers and consumers of the cinematic productions and services
4. Creating and expanding grounds for conducting scientific and technical researches in the country, and making efficient and useful application of the results of the researches
5. Making efforts to increase the quantitative and qualitative aspects of the cinematic productions
6. Planning and offering suitable guidelines for the exhibition of cinematic productions in Iran
7. Strengthening and promoting the Iranian-Islamic culture and values in cinematic productions
8. Creating necessary and coordinated relations and cooperation between the Ministry of Culture and Islamic Guidance and other public and government bodies active in the field of cinema on the one hand and filmmakers and cinematic institutions on the other hand
9. Creating and expanding up-to-date data systems for manpower , equipment and other factors involved in film production, distribution and exhibition and the general, cultural atmosphere of the cinematic productions
10. Creating interaction and exchange of technical and professional information with the country's official organizations and similar institutions for the purpose of upgrading know-how and safeguarding the rights of filmmakers and film copyrights
11. Participation in preparing educational standards in various cinematic branches
12. Investment and participation in cultural and economic activities through establishment of commercial firms in ways that do not duplicate the activities of the member guilds
13. Participation in the overall cultural management of the country in the field of film art and industry

14. Planning and adopting suitable approaches necessary for the regulation of professional relations among filmmakers
15. Creating judicial bodies to deal with professional and guild transgressions
16. Supervision of elections and activities of film guilds
17. Making endeavors to upgrade the technical qualities of cinematic productions and services and supervising the correct execution of such productions and services
18. Presenting the required bills and projects to the government and the Islamic consultative assembly and other relevant bodies for the purpose of promoting and upgrading the film art and industry and safeguarding the rights of the creators and viewers of the cinematic works
19. Anticipating the necessary means and approaches to safeguard the honor and social status of filmmakers
20. Cooperating with judicial organs to process the professional and guild transgressions of filmmakers
21. Standardization of film production, distribution and exhibition, and preparing guidelines for their implementation
22. Cooperating and participating in preparation of regulations for issuance of license for filmmaking activities, and evaluating and implementing them
23. Making efforts to promote film economics through increasing demands for cinematic productions in the country
24. Conducting market researches and adopting suitable approaches to increase Iran's share of the world film market
25. Preparing and regulating bases for pricing cinematic productions and services
26. Establishing and managing urban institutions and cooperatives for the realization of the objectives enumerated in the present law
27. Planning for promotion of investment in film art and industry

Chapter Three: Organization's Parts

Article 6. The organizations' parts include:

1. General assembly of the Islamic Republic of Iran's cinematic trade guilds, hereinafter referred to as "the assembly"
2. Central council of the Islamic Republic of Iran's cinema system, hereinafter referred to as "the central council"
3. Head of the Islamic Republic of Iran's organization of cinema system, hereinafter referred to as "the head of the organization"
4. Legal inspector

Article 7. The general assembly comprises official representatives of the film industry guilds whose charters have been approved by the organization

Note: Those guilds which have been accepted as members of the house of cinema prior to the approval of this law will be accepted in the first convention of the organization's assembly, provided discrepancies between their charters and the present law have been removed

Article 8. A trade guild comprises a group of professional people active in one of the jobs in the fields of film production, distribution and exhibition that has been formed for the purpose of expanding professional qualifications and safeguarding its common interests

Article 9. Only one guild in each of the filmmaking jobs shall be accepted as the principle member

Article 10. Any qualified individual engaged in one of the filmmaking jobs may be accepted as the principle member of a trade guild

Article 11. Filmmaking trade guilds may stipulate additional criteria apart from those mentioned in this law for the purpose of enlisting people with extra capabilities, but their additional criteria have to be approved by the central council, and must be clearly defined and announced

Article 12. The various types of memberships in trade guilds, their suspension and cancellation must be in accordance with a charter that has to be prepared by the relevant trade guilds and approved by the central council of the organization

Article 13. Non-principle members of trade guilds shall not be accepted as members in the general assembly

Article 14. Each trade guild shall have two members as the principle member and proxy member in the general assembly

Article 15. General conditions for membership in the organization's member guilds:

1. Being of Iranian nationality
2. Not having judicial convictions
3. Not having unexecuted definite convictions from the organization's arbiters or councils of resolving differences (or from the house of cinema prior to the formation of the organization)
4. Being engaged in the profession related to the trade guild as confirmed by the guild

Article 16. The general assembly shall be formed for a three-year period and shall be composed of official representatives of guilds that are members of the organization of cinema system, and possess the following qualifications:

1. Being member of the related guild for at least two years
2. Being a member of the central council or an inspector in the related guild for at least one year
3. Not having judicial convictions
4. Not having unexecuted definite convictions from the organization's arbiters or council of resolving differences (or from the house of cinema prior to the formation of the organization)

Article 17. Duties and powers of the general assembly are:

1. Confirming the qualifications of candidates for membership in the organizations' central council from among the volunteers, at least three times the number of members required for each chair of the central council, and discharging them
2. Selecting two inspectors (as the principle and proxy inspectors) from among its members

3. Determining and approving salaries for members of the central council
4. Surveying and approving the formation of institutions affiliated with the organization
5. Deciding on the mass media for the publication of the organization's advertisements
6. Supervising the activities of the central council
7. Approving membership of new guilds in the organization or cancelling their membership
8. Selecting and appointing the official auditor
9. Receiving the organization's financial reports after the confirmation of the official auditor and announcing its views on the reports
10. Approving the formation of branches or representative agencies
11. Proposing changes and improvements in the organization's law

Note: Discharging members of the central council and the inspector requires the affirmative votes of $\frac{3}{4}$ of members present in the session

Article 18. The general assembly shall select in its first session a chairman, a deputy chairman and a secretary from among its members

Article 19. The general assembly may have ordinary and extraordinary sessions

Article 20. The general assembly's ordinary sessions will be formed by the invitation of the chairman or the deputy chairman in the spring of each year

Article 21. Extraordinary sessions of the general assembly may be formed at any time during the year on the request of 7 members of the central council or the legal inspector after the confirmation of 5 members of the central committee or the request of $\frac{2}{3}$ members of the general assembly

Note: Extraordinary sessions of the general assembly may be formed solely for the purpose of impeachment of members of the central council, or proposing changes and revisions in the organization's law

Article 22. Ordinary sessions of the general assembly will reach quorum with the presence of 2/3 members and its decisions will be valid with the positive votes of the majority plus one of the members

Article 23. Extraordinary sessions of the general assembly will reach quorum with the presence of 3/4 of members, and in case a quorum is not reached invitations are sent to members for a session two weeks later. The second session will reach quorum with the presence of 1/2 plus one member and its decisions will be valid with the positive votes of at least 2/3 members present in the session

Article 24. Candidates for membership in the central council will be selected after inspection and confirmation by the general assembly with the direct votes of all principle representatives of the organization's member guilds

Article 25. The organization's central council includes 9 members selected from among candidates for membership in the central council for a 4-year term with the direct votes of all principle representatives of the organization's member guilds, and shall have the following composition:

1. Two representatives from trade guilds representing screenwriter, directors, composers and producers. (Both representatives may not belong to the same guild)
2. Three representatives from producers, assistants, planner and script girls. (All three representatives may not belong to the same guild)
3. One representative from the actors guild
4. One representative from the distribution and exhibition guilds
5. One representative from the educators and critics guild
6. One representative from the documentary, short and animation film makers guild

Note 1: Members of the central council may not concurrently be chairman of their guild's central council

Note 2: Members of the general assembly who volunteer for membership in the central council will lose their position in the general assembly and proxy members will replace them.

Note 3: The second person selected for each chair of the central council will be regarded as the reserve member for that chair, and will take over the position and duties of the principle member, in case the principle member resigns or is considered as having retired due to absence or any other reason.

Article 26. The representative of the ministry of culture and Islamic guidance will be invited to attend all official sessions of the central council without the right to vote

Article 27. Qualifications of the selected members of the central council:

1. Having Iranian nationality
2. Loyalty to the constitution of the Islamic Republic of Iran
3. Not having criminal convictions
4. Not being addicted to drugs
5. Belief in one of the monotheistic religions recognized in the constitution

Article 28. The central council's duties and powers are:

1. Selecting the head of organization, accepting his resignation or discharging him, and determining his salary
2. Drawing up the organization's overall policies for the 4-year term on the basis of the objectives specified in this law
3. Receiving and confirming annual financial reports from the head of the organization after confirmation by the official auditor
4. Approving the organization's annual plans and budget proposed by the head of the organization
5. Approving regulations and guidelines for the realization of the organization's objectives
6. Approving and introducing the organization's representatives proposed by the head of the organization to assemblies and councils
7. Supervising the activities of the head of the organization
8. Suspending or withdrawing the suspension of membership of the organization's member guilds

Note 1: Acting government employees may not be selected as head of the organization

Note 2: The head of the organization may be selected from among members of the central council, in which case the selected individual's membership in the central council will be terminated and will be taken over by the reserve member

Article 29. In their first session members of the central council will select from among themselves the council's chairman, vice-chairman and secretary for a period of two years.

Article 30. the chairman of the council will have the following duties:

1. Inviting members to hold sessions
2. Running the sessions of the central council
3. Establishing liaison with the head of the organization
4. Notifying the decisions of the central committee to the head of the organization
5. Managing the organization at times of the head of organization's absence from duty. (Leave of medical treatment and vacations, and missions of less than 3 months are considered absence from duty.)

Article 31. Sessions of the central council will be held at least once every month.

Note: The head of the organization will be invited to attend all sessions of the council without the right to vote.

Article 32. Absence of any member of the central council from 5 consecutive sessions held within a period of less than 3 months or 8 non-consecutive sessions held during a year will lead to the cancellation of the absent person's membership in the council and the reserve member specified in Article 25 will replace him.

Article 33. Sessions of the central council will reach a quorum with the presence of at least 6 members and its decisions will be valid with at least 5 votes.

Article 34. In case of decease, retirement, intellectual incapacity, or loss of any of the qualifications specified in article 27 of any of members of the central council, the reserve member will replace him.

Article 35. Records of the proceedings of all sessions of the central council will be prepared and signed by the present members, and will then be notified by the chairman or vice-chairman to the head of the organization.

Note: All approved decisions of the central council must be notified to the organization's member guilds within 48 hours.

Article 36. Extraordinary sessions of the central council will be held on the request of the head of the organization or at least 5 members of the central council.

Note: The impeachment of the head of the organization requires the approval of at least 5 members of the central council, and in case of establishment of lack of qualifications of the head of organization with the votes of at least 7 members of the central council, the head of organization will be discharged and a new head will be assigned within 2 months.

Article 37. Duties and powers of the head of the organization:

1. The head of the organization is the highest executive official in the organization. He will be assigned to the post for a period of two years, and with the decree of the president of the country he will represent the organization in all national and international institutions.
2. He will be responsible for the execution of the decisions of the central council
3. Prepare plans and proposals for the realization of the objectives specified in this law, present reports on the operations to the central council
4. Prepare regulations and guidelines for the realization of the organization's objectives in the fields of production, distribution and exhibition and submit them to the central council for approval
5. Propose the organization's annual plans and budget to the central council
6. Present the required reports to the ministry of culture and Islamic guidance and other qualified bodies with copies to the central council
7. Notify government laws, guidelines and rules to the organization's member guilds
8. Chair the high council of rating the cinematic productions
9. Design and implement the organization's set-up after the approval of the central council
10. Draw up and implement suitable work methods for the realization of the organization's objectives
11. Assign film industry system's code numbers and signing the relevant cards

12. Supervise the activities of the organization's companies
13. Carry out other affairs for which he is responsible according to the law or charters

Note: The head of the organization may transfer parts of his powers to other individuals for the better implementation of his duties, but such a transfer of power does not exempt him from his responsibilities.

Article 38. Inspector:

The general assembly will select from among its members an inspector and a reserve inspector for a period of two years to carry out the following duties:

1. Control the compatibility of the decisions of the central council with the duties and powers assigned to the council according to this law
2. Attend sessions of the central council without the right to vote
3. Control the organization's documents with the information of the chairman of the central council
4. Supervise the organization's financial operation
5. Present oral and written notices to the central council on required occasions
6. Confirm the organization's financial report at the general assembly

Note 1: The organization's inspector should not have a government job.

Note 2: The re-election of the inspector is permissible.

Chapter Four- Authorities of Arbitration and Resolution of Differences

Article 39. The organization's authorities of arbitration and resolution of differences are formed in accordance with civil and legal regulations for the purpose of helping to resolve differences and claims among members of the organization's guilds, provided the differences and claims pertain to their film making profession. The organization's authorities of arbitration are: 1. Council for the resolution of differences, 2. High council of arbitration

Article 40. The high council of arbitration is the highest authority for processing the afore-mentioned differences.

Article 41. The rulings of the Organization's authorities of arbitration shall be indisputable for all members of guilds in the film industry.

Article 42. Appeals to the rulings of the council for the resolution of differences will be processed at the high council of arbitration whose rulings will be final and definite.

Article 43. The central council shall prepare and approve, no later than two months after its formation, the regulations regarding the composition of authorities of arbitration, the manner and duration of processing the differences, terms for accepting appeals, and the definiteness of the rulings, and shall survey the current cases.

Article 44. Authorities of arbitration are required to arrange for compensation of losses resulting from committed offenses and will also determine the following punitive measures in accordance with the nature of the case, and the number of offenses:

1. Oral warning without any written documents
2. Written reprimand to be kept in the files
3. Requirement to undergo training and presenting the relevant certificate
4. Requirement to perform services of general interest and presenting the relevant certificate
5. Temporary prohibition to engage in professional activities from one to three months
6. Temporary prohibition to engage in professional activities from three to six months
7. Temporary prohibition to engage in professional activities from six months to one year
8. Prohibition to engage in professional activities from one to three years plus cancellation of membership in the related guild

Article 45. The courts and tribunals of the Islamic Republic of Iran should refer to the authorities of arbitration of the organization cases related to civil offenses or those pertaining to cinematic professions.

Chapter Five: Councils for Rating Cinematic Productions

Article 46. With a view to safeguarding the rights of audiences and providing motivation for the qualitative upgrading of cinematic works, councils of rating will view and evaluate all cinematic works.

Article 47. Rating is a requirement for all cinematic works that are presented for general exhibition, and distributors are required to request the rating of their products, and publish the decisions of the rating councils on their works in a manner that is clearly visible by the audience.

Article 48. The councils for rating cinematic productions, whose secretariat will be in the organization, will be responsible for rating all cinematic productions.

Article 49. The rating councils are:

1. Age rating council, comprising five professors from the scientific boards of universities and higher educational institutions with doctoral degrees in psychology (one member), educational science (one member), sociology (one member), communications science (one member), divinities and religions (one member) who will be selected with secret ballots of the central council from among twice their number of candidates introduced by the minister of scientific research and technology, one filmmaker selected by the central council and one film expert proposed by the minister of culture and Islamic guidance.
2. Technical quality rating council, comprising six representatives of the organization including representatives from the trade guilds selected by the central council and a film expert proposed by the minister of culture and Islamic guidance.

Article 50. Secretaries of the rating councils, who will be selected from among the representative of the organization by members of the rating councils, will be responsible for sending invitations to the members of the councils and preparing reports of the councils' sessions.

Article 51. Rating councils are required to rate all cinematic productions, prior to their distribution, on the basis of their technical qualities, and determining the audience groups, the films' features in terms of language, violence, issues related to the sexes and human relations.

Article 52. Rating councils should announce their views no later than two weeks after receipt of requests for rating with the reasons for the classifications.

Note 1: In case of failure on the part of the rating council to announce their views within the specified period, the producer or distributor is entitled to lodging complaint with the high council of rating.

Note 2: The councils for rating cinematic works are required to draw up the regulations for rating cinematic works no later than 60 days from the date of their first session, and present the regulations for approval to the organization's council.

Article 53. Sessions of the rating councils reach quorum with the presence of four members and the final verdict will be valid with the votes of at least four members.

Article 54. In case the film owner has any objections to the decision of the rating councils with respect to the age group or the technical quality of the work, he may lodge complaint with the high council of rating within 20 days from the date of receipt of the ruling.

Article 55. The high council of rating is the highest authority for the rating of the films, and its members include:

1. The head of the organization as the chairman of the council
2. Three professors from the scientific boards of universities or institutes of higher education with doctoral degrees in psychology, education, sociology and divinities proposed and introduced by the minister of scientific research and technology
3. Two filmmakers selected and introduced by the central council
4. An expert and authority on the country's cultural and art situation with at least fours years of managerial experience in cultural and artistic affairs introduced by the minister of culture and Islamic guidance

Article 56. Sessions of the high council of rating are held with the invitation of the chairman of the council.

Article 57. Sessions of the high council of rating reach a quorum with the presence of at least five members of the council.

Note: In case any member of the high council of rating is absent from three consecutive sessions within three months, his membership will be cancelled and a new member will be selected.

Article 58. Decisions of the high council of rating are valid with the absolute majority of votes.

Article 59. Decisions of the high council of rating are definite and binding.

Article 60. The high council of rating may not reduce the previously determined age group or quality rating of the work.

Article 61. Members of the high council of rating are selected for a period of two years and their re-election is acceptable for a second term.

Article 62. The high council of rating is required to process the complaints within 60 days from the date of their reception.

Article 63. Rated cinematic work may be reproduced and distributed and no one may stop the exhibition of the work except with the ruling of a qualified court of law on the basis of a complaint by a private plaintiff with the presentation of sufficient evidences and after receipt of proper guarantees from the plaintiff.

Note: Disregard of this article will be considered as action to obstruct a legal right and will be processed in qualified courts of law in accordance with relevant laws and the transgressor will be required to compensate for any incurred losses and the punishment assigned for obstruction of a legal right.

Article 64. In case of failure on the part of the ministry of scientific research and technology and the ministry of culture and Islamic guidance to introduce representatives for the rating council within 30 days from the date of receipt of the head of the organization's request, the central council will directly select qualified members.

Note: No one may concurrently function as a member in more one of the rating councils.

Chapter Six – Organization's Financial Resources and Affairs

Article 65. The organization's financial resources are:

1. 2% of the cinematic works' box office receipts which were formerly collected in accordance with the law ratified on April 9, 1986 and confirmed by the Guardian Council on April 18 of the same year (law for the receipt of 2% of the gross box office receipts) which now has been extended to include all rights of cinematic works such as videos, television, airlines and any other forms of exhibition which may be developed in the future, and was collected by the municipality after exhibition in movie theaters, or other legal buyers such as IRIB and video institutes and other real or legal buyers which may be formed in the future, and is deposited in a special account introduced by the central bank and is annually delivered to the organization of the cinema system to be used for the realization

of the organization's objectives with priority to the welfare and financial security of filmmakers.

2. Credits annually allocated to the organization in the country's overall budget, proposed by the president
3. Part of the membership fee received by the trade guilds in accordance with the regulations approved by the central council
4. Income accruing from the activities of the organization and its affiliated institutes
5. Donations received from other institutes, legal or real persons provided they do not encroach upon the organization's independent views and decisions

Article 66. The organization's fiscal year corresponds with the solar calendar, starting from the March 21st and ending on March 20th of the following year.

Article 67. The organization's financial regulations will be drawn up by the head of the organization and will be ratified by the central council.

Part Two: Protecting Cinematic Works' Financial & Intellectual Rights

Chapter Seven: Rights, Offenses and Penalties

Article 68. Cinematic activities protected by this law include:

1. Activities effective in the creation of cinematic works
2. Activities effective in the reproduction and distribution of cinematic works
3. Activities proving for the exhibition of cinematic works
4. Activities leading to the promotion and expansion of the film art and industry

Note: In all cases the organization of the cinema system is responsible for determining the nature of the cinematic activities.

Article 69. According to this law the producer is the principal creator of a cinematic work and will be responsible for the work in the face of the law. His activities start with the selection of the film script, providing the required finances and selection of the director and other members of the cast and crew which are the necessary and sufficient conditions for the overall management of the film production.

Note: The creation of a cinematic work requires the creation of other works without which the cinematic work could not have been made. As such this law supports also the rights of film direction, script writing, research and composition of music.

Article 70. According to this law the distributor is the real or legal person who offers the cinematic work to the movie theaters, stores or other exhibition and presentation centers, and is responsible for the distribution of the work.

Article 71. The production and distribution of a cinematic work, with due regard for the rights of the creators of the work and announcing the rating determined by the organization's rating councils and within the framework of this law, are free activities and no one has the right to interfere or create pressure or limitation for the cinematic operations protected by this law.

Article 72. From the date of approval of this law, the production, distribution and exhibition of cinematic works will not require license.

Note: Producers are required to register the production of a cinematic work, at least one month before the production, at the organization of cinema system, and distributors are required to register the exhibition of a cinematic work at least one month before its exhibition, at the secretariat of the high council of supervision, on the forms assigned by the organization and the ministry of culture and Islamic guidance.

Article 73. Legal persons intending to produce, distribute or exhibit cinematic works and possessing the following qualifications may apply to receive license of operation from the ministry of culture and Islamic guidance:

1. Having Iranian identity
2. Not having record of intellectual incapacity, fraud or bankruptcy by default
3. Not having previous record of judicial conviction resulting in loss of social rights
4. Confirmation of membership of one of the founders or the manager in one of the trade guilds of the organization or at least 4 years of managerial experience in the fields of cinema or other arts
5. Possession of university degrees by the founders and the manager of the institute

Note: The ministry of culture and Islamic guidance is required to issue license of operation no later than one month after the date of receipt of the aforementioned documents

Article 74. Legal protection of the cinematic works is pending upon the registration and submission of a copy of the work with the organization's bank.

Note: Film scripts, musical scores or film researches registered with other qualified institutes such as the national library, film script bank of the house of cinema or other valid registration banks formed on the basis of laws or charters, will be under the protection of this law.

Article 75. The financial rights of cinematic works include the right to exhibit, distribute, and reproduce or any other use which entails economic and financial advantages and is transferable.

Article 76. The intellectual rights of the work include the right to attribute the work to its creator which is not restricted by time or locality and is nontransferable to any other person.

Article 77. The financial rights of a work are the right to exploit the work in its entirety or in parts and are transferable to other persons.

Article 78. The period for the exploitation of the right of the creator, subject of this law, which is transferred to the heirs by testament, is fifty years from the death of the creator, and the period for the exploitation of the right which is transferred by law of heredity is thirty years, and in case the right is shared by more than one creator, the death of the last creator will be the basis of calculation. In case of lack of any heirs or lack of any testament, the right is transferred to the ministry of culture and Islamic guidance for public use for thirty years.

Note: Awards or cash prizes donated on the basis of the contests to cinematic works under the protection of this law belong to the creator.

Article 79. The financial right of those works that are created on the basis of commission by a real or legal person belong the commissioner for a period of thirty years from the date of release unless there has been an agreement for a shorter period.

Article 80. No one may use the title or the specific signs representing the cinematic work or the characters, devised by its creator or its principle owner, for another work of the same nature or any other category without the agreement of the creator or the owners of the rights.

Article 81. Persons to whom the financial rights of a cinematic work has been transferred according to this law and possess the right of the exploitation or adaptation of the work have to indicate the name and sign representing the creator

of the work and the secondary creators and other individuals whose rights is under protection, on the original copy and the reproductions in commonly accepted manner, unless the creators and other beneficiaries have agreed to an alternative arrangement.

Article 82. Reproduction, copying, distribution and recording of the works under the protection of this law without the written permission of the producer and other owners of the rights or the commissioners is prohibited.

Article 83. The principle creator (producer) of the cinematic work possesses the right to permit the reproduction, distribution and exhibition unless the creators and the producer have reached alternative arrangements.

Article 84. No alteration in a cinematic works is permissible without the consent of the creators of the work.

Article 85. Reproduction and exhibition for cultural and educational purposes of cinematic works are permissible to the extent of 5% in the case of feature films and 7% in the case of short films.

Article 86. Using cinematic works for the creation of works that can be considered new works or can provide other usages or capacities is permissible provided the new creator has obtained the written consent of the creators of the works produced in Iran.

Article 87. Provided the terms of the previous article of this law have been observed, the financial and intellectual rights of the new work will belong to the new creator.

Note 1: Exhibitors are required to indicate the name of the creator and title of cinematic works in the reproduced copies.

Note 2: Definitions of feature and short films will be determined by the organization of cinema system.

Article 88. Any person who reproduces, distributes and exhibits the entirety or parts of a cinematic work in his own name or in the name of a third person or even in the name of the creator of the work without his permission will be required to return to the creator of the work any income received from the exhibition of the work and compensate for any incurred losses, and in case it is proven that his action was a deliberate fraud he will be condemned to one to three months of imprisonment.

Article 89. Any alteration in a cinematic work without the written consent of the owner of the work will be considered a criminal offense and the perpetrator will be

required to compensate for the losses incurred by the plaintiff and will be condemned to one to three months of imprisonment, while the altered work will be banned pending the plaintiff's consent.

Article 90. Prosecution of the transgressors is dependent on complaint by the private plaintiff and will be terminated with the withdrawal of the plaintiff's complaint.

Article 91. In case the transgressor of this law is a legal person, official prosecution will be carried out and the losses of the private plaintiff will be compensated from the properties of the legal person.

Article 92. The private plaintiff may request the court of law that has issued the final verdict, to have the verdict printed in a newspaper selected by the plaintiff at his own cost.

Article 93. All works that, prior to the approval of this law were under the protection of the law for the rights of the authors and artists passed in 1969, will have the protection of the present law.

Article 94. Distribution and exhibition of cinematic works without indicating their rating is prohibited.

Article 95. Exhibition and distribution of cinematic works in any form without the written consent of the producer or owner of the work will be considered an act of usurpation and will be liable to the relevant laws and penalties and will be processed in qualified courts of law.

Article 96. Any person who distributes or exhibits rated works without indicating their rating in a way that is easily observable, or presents them to persons of a lower age than the one indicated by the work's rating, will be sentenced on the first occasion to payment of a sum equal to the amount received from the sale of the work, and on the second occasion, apart from the cash penalty, his operation license will be cancelled for one year.

Article 97. Judicial authorities are required to study the private plaintiff's complaint regarding the distribution of a cinematic work, and on the request of the plaintiff and after presentation of sufficient evidence by him and after receiving suitable guarantees from him, block the distribution of the cinematic work until the end of the judicial process.

Article 98. Processing the transgressions dealt with in the second part of this law as well as the complaints filed by private parties, will be carried out as cases of

emergency so that the prosecution and the final ruling of the court may end within three months.

Article 99. In case the final verdict favors the private plaintiff, the judicial decision for stopping the distribution and exhibition of the work will be indisputable.

Article 100. Transgressions that do not pertain to the production, distribution, exhibition and presentation of cinematic works will be processed according to other existing laws.

Article 101. Production and distribution of any form of cinematic works that include the following points is prohibited and will be regarded as transgressions.

1. Denying faith in the only God, disparaging the holy prophet and the religion of Islam or the prophet's household as well as the other monotheistic prophets
2. Insult and libel against the religious leaders, the leader of the Islamic Republic and other religious and national figures.
3. Promoting racist tendencies
4. Weakening national solidarity, and intensifying ethnic, racial or religious differences
5. Insult and libel against real or legal persons
6. Distributing government and military secret documents
7. Instigating action against national security and interest
8. Use of reprehensible and dirty language
9. Creating pictures of people's private lives without their written consent
10. Promoting use of all kinds of drugs
11. Praising and encouraging acquisition of income through illegal activities
12. Presenting detailed images of murder and violent action that disturb the viewers

Note 1: No one may lodge complaint regarding the similarity of names of real persons with names in a cinematic work if the creators of the work have declared that any such similarity is fortuitous, unless a judicial authority has ruled that the similarities were intentional and refer to a real person.

Note 2: Making and distributing films about the professional lives of national and religious figures do not fall under paragraph 9 of this article.

Note 3: A scientific description and introduction of cultures of different races with the objective of introducing their beliefs and customs does not fall under paragraph 4 of his article.

Article 102. Producers and distributors who are guilty of disregarding the terms of paragraphs 1 to 4 of Article 101 of this law will be sentenced to the payment of fines twice the amount that has been spent on the production of the work and the work in question will be confiscated.

Note: In case the transgression is repeated the perpetrator's license of operation will be cancelled and he will be barred from any cultural activity.

Article 103. Producers or distributors who violate paragraphs 5 to 12 of article 101 of this law, will be sentenced to pay a fine equal to one third of the total amount of the production cost of the work, depending on whether or not the action has been intentional.

Note: The exhibition of a work whose exhibition has been banned by the high council of supervision of cinematic works on the basis of indisputable evidence for certain parts of the country or for a certain period of time (which in no case may be more than two years) or for certain age groups, will be liable to the payment of fines separately by the exhibitor and distributor equal to two to four times the revenues obtained and also their license of operation will be cancelled for one year.

Article 104. In case the violators of the above points have not registered the exhibition of their work at the secretariat of the high council of supervision of cinematic works, the amount of the fines will be doubled.

Article 105. Court proceedings of violations pertaining to production, distribution and exhibition of cinematic works subject of the terms of article 101 of this law will be public and may be carried out at preliminary qualified courts with the presence of a jury composed of 11 principle members and 11 reserve members as follows:

1. Two representatives from the Islamic consultative assembly introduced by the spokesman of the assembly
2. Two members from Tehran city Islamic council introduced by the chairman of the Islamic council

3. Two members from among judges of the country's supreme court of law introduced by the judiciary head
4. Two attorneys at law from members of the attorneys center introduced by the head of the center
5. Two university professors introduced by the minister of scientific research and technology
6. Two permanent members of the academy of art with doctoral degrees in artistic fields introduced by the head of the academy
7. Two film experts from the ministry of culture and Islamic guidance introduced by the minister of culture and Islamic guidance
8. Two filmmakers introduced by the head of organization of cinema system
9. Two high school teachers with M.A. degrees introduced by the minister of education
10. Two journalists introduced by head of the journalists association in the central province
11. Two physicians from the medical society introduced by the head of the medical society

Article 106. Members of the court jury should possess the following qualifications:

1. Being of at least 35 years of age
2. Not having effective penal conviction
3. Being known as honest and reliable persons
4. Having faith in one of the monotheistic religions recognized by the constitution of the Islamic Republic of Iran

Article 107. Court sessions will be official with the presence of at least 9 members of the jury and the verdict pronounced by the majority of the present members will be valid.

Article 108. Any reserve member may participate in the court sessions only in the absence of the principle member from his category.

Article 109. All of the above-mentioned institutions are required to introduce within one month from the date of receipt of letter from the ministry of education and Islamic

guidance their principle and reserve representatives to join the court jury. In case of failure on the part of any institution to introduce their representatives, members of the jury will be selected and introduced by the high council of supervision from among qualified persons.

Article 110. The introduced representatives will be members of the court jury for cinematic offenses and are required to attend the court sessions on the invitation of the minister of culture and Islamic guidance.

Note: Re-election of members of the court jury for one consecutive term is permissible.

Article 111. The head of the court is required to notify the ministry of culture and Islamic guidance, at least 20 days before the date of the court session, and the ministry of culture and Islamic guidance is required to arrange for the invitation of members of the jury.

Article 112. Viewing the entire cinematic work by members of the jury and the court judge in the presence of the accused at the start of the court session is mandatory and is considered a normal part of the court procedure.

Article 113. At the end of the court proceedings the presiding judge will ask the jury's verdict on whether or not the accused is guilty, and whether or not the accused deserves reduction in the final court sentence in case he is found to be guilty, and then he will issue the sentences anticipated in this law.

Article 114. In case the accused is found to be guilty he may file an appeal, but in case he is exonerated the verdict may not be appealed.

Chapter Eight: High Council of Supervision of Film Exhibition

Article 115. With a view to taking maximum advantage of the available expert manpower, the high council of supervision of film exhibition, whose secretariat will be stationed in the ministry of culture and Islamic guidance, will be formed with the following composition:

1. Minister of culture and Islamic guidance or his plenipotentiary representative as chairman of the council
2. Head of the organization of cinema system
3. A prominent filmmaker with recognized background selected and commissioned by the president of the country

4. A cleric familiar with artistic matters selected and commissioned by the minister of culture and Islamic guidance
5. A legal expert proposed and commissioned by the center of attorneys at law
6. A qualified judge selected by the high court of law and commissioned by the head of the judiciary
7. Two members from the scientific boards of universities or institutes of higher education with doctoral degrees in sociology and political science (one representative from each discipline) proposed and introduced by the organization of cinema system
8. One representative from the Islamic consultative assembly familiar with artistic affairs selected by the assembly and commissioned by the assembly spokesman
9. One associate member of the academy of art proposed and commissioned by the head of the academy
10. One film expert selected and commissioned by the minister of culture and Islamic guidance as the secretary of the council

Article 116. Sessions of the high council of supervision of film exhibition will reach quorum with the presence of at least 7 members and their decisions will be valid with the approval of at least 6 members.

Article 117. The producer, distributor or exhibitor of a cinematic work may inquire, prior to the distribution of the work, the views of the high council of supervision regarding the work's compatibility with the terms of article 101 of this law, and in case the work is pronounced as compatible with this law and later it is found to be incompatible with article 10, the producer, distributor or exhibitor may not be held responsible.

Article 118. The high council of supervision of film exhibition is required to announce its justified verdict within one month from the date the work has been submitted by the interested party.

Note: Under no circumstances may the high council of supervision of film exhibition independently ban a film permanently or temporarily or cancel the license of operation of real or legal persons.

Chapter Nine: Fund for Support of Iranian Film Production, Distribution and Exhibition

Article 119. With a view to extending methodical, fair, clear and unbiased support for production and presentation of cinematic works in Iran with the objective of promoting the quality and quantity of cinematic works, and also to encourage the exhibition of the domestic cinematic productions, as well as conducting market research for the Iranian films on a global basis, the fund for support of production, distribution and exhibition of the Iranian cinematic works is established.

Article 120. The objectives of the fund for support of production, distribution and exhibition of the cinematic works are:

1. Supporting cinematic productions through extending support for screen writing, participation in film production, financing, offering financial credits and acquisition of film rights prior to their production.
2. Distributing subsidies for film exhibitions
3. Supporting the presentation of the Iranian cinematic works in world markets through subsidizing the participation of exporters, arranging training courses for the staff, creating sites for international relations, awarding prizes to successful exporters and similar activities.
4. Supporting the construction of screening halls and provision of screening equipment through support, participation, investment and extension of loans for the construction of new screening venues and creating new forms of film presentation

Article 121. From the date of the approval of this law the ministry of culture and Islamic guidance is required to create and extend annual credits for investment in, and support of local production and exhibition, and the international presentation of cinematic works, and also draw up, and obtain the approval of the cabinet of regulations for the formation of the Fund for Support of Iranian Film Production, Distribution and Exhibition, including the composition of the board of directors in such a way that makes it possible to take maximum advantage of the capacities of the organization of cinema system in the management or decision making of the fund, and also the rating of the supports and participation with the expert opinion of the organization of cinema system in a specialized and clear form for the promotion of the quality and quantity of cinematic productions and their distribution in the three categories of entertainment, art works and cultural productions.

Note: All approvals of the fund for support of production, distribution and exhibition of cinematic works will be posted on the fund's information site within 48 hours.

Chapter Ten: Other Regulations

Article 122. Within three months from the date of approval of this law the ministry of culture and Islamic guidance is required to revise and reform its bureaucratic system in the field of cinema in harmony with the terms of this law, and it may transfer all or parts of its responsibilities for the training of manpower in the film industry, safeguarding the cinematic legacy and supervision of film festivals or gatherings to the organization of cinema system, in which case the relevant credits will be transferred and paid to the organization.

Article 123. Within three months from the date of approval of this law the central insurance organization of the Islamic Republic of Iran is required to construct and announce the site for insuring investment on film production and exhibition with the objective of promoting and supporting invest on film production in Iran, and notify insurance companies for the execution of the scheme and supervise its proper execution.

Article 124. From the date this law becomes effective, all other laws and regulations that are incompatible with the present law will be considered null.