



Screenwest Definition of Qualifying Western Australian Regional Expenditure (QWARE)

A Western Australian Region is defined as one of the nine regions established by the *Regional Development Commissions Act 1993*.

The nine defined regions are:

- Gascoyne
- Goldfields-Esperance
- Great Southern
- Kimberley
- Mid West
- Peel
- Pilbara
- South West
- Wheatbelt.

| Acronym | Definition |
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| QWARE | Qualifying Western Australian Regional Expenditure |
| WAR | <p>Western Australian Resident as per definition in the Screenwest Terms of Trade:</p> <p><i>A Western Australian resident is a person who is domiciled in Western Australia, and who has been in Western Australia during more than one half of the year immediately preceding the application, and is registered on the Western Australian electoral roll. In extenuating circumstances where a person is a Western Australian resident but is unable to be registered on the Western Australian electoral roll, proof of residency in Western Australia for more than one half of the year must be provided.</i></p> <p>You may be required to provide Screenwest with written evidence of your Western Australia Residency which is available from the Australian Electoral Commission.</p> |
| WAC | <p>Western Australian Company as per definition in the Screenwest Terms of Trade:</p> <p><i>A Western Australian Resident Company must be registered under the Corporation Law and have:</i></p> <p><i>a) Its principal place of business in Western Australia; and</i></p> <p><i>b) At least 50 per cent beneficial ownership by a Western Australian resident(s) – see above.</i></p> <p>Exemptions may apply where the Company can demonstrate a strong track record and commitment to the Western Australian industry over a minimum two-year period. The Screenwest Board also reserves the right to make further exemptions in cases where there are exceptional benefits for the local industry.</p> |
| WARR | <p>A Western Australian Regional Resident is defined as a person who has been domiciled in one of the nine regions, during more than one half of the year immediately preceding the application, and can provide proof of that</p> |

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| | residency if required. |
| WARC | A Western Australian Regional Company is defined as having its principal place of business registered in one of the nine regions, for longer than six months preceding the application. |
| General Notes | |
| | All qualifying costs paid to a WARR or WARC is considered QWARE irrespective of which region the filming activity is taking place. |

| | Above the Line Costs | QWARE descriptions with accompanying comments |
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| A.1 | Story and Script | All fees paid to a WARR or a WARC are QWARE. |
| A.2 | Screenwest funded development | Screenwest development funds plus premium charges paid to a WARR or WARC are QWARE. |
| | All other non-Screenwest funded development costs | Other development funds paid to a WARR or WARC are QWARE. |
| B.1 B.2 E (a) | Producers Directors Principal Cast | Fees paid to producers, directors and cast who are WARR are QWARE. Producers, directors and cast expenses incurred in the regions are QWARE. |
| C | Production Unit Fees & Salaries | All fees, overtime and loadings paid to a WARR or WARRC are QWARE. |
| D | Fringes & Workers Compensation | All holiday pay paid to a WARR is QWARE. All superannuation paid on behalf of a WARR is QWARE. If this is too hard to estimate then calculate based on the following equation, i.e. if 70 per cent of wages go to a WARR or WARC, then 70 per cent of superannuation is QWARE. All workers' compensation is QWARE if brokered by a WARR or WARC. |
| E | Cast and Casting | Casting fees and audition fees are QWARE if using a WARR casting director, regardless of where the auditions take place. Cast, stand-ins and doubles, stunts, extras, presenters, narrators and voicing fees, overtime, loadings and holiday pay are QWARE if fees are paid to WARRs. Superannuation – As for D above. |
| F.1 F.2 | Costumes Make-Up & Hairdressing | Purchases and hire occurring in the regions and paid to a WARR or WARC are QWARE. |
| G.1 G.2 | Locations Stage Rentals | Permits, rentals and fees, including security, gratuities and local government fees that are paid for regional locations, |

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| | | studios, etc. are QWARE. |
| H | Sets & Properties | <p>All activity occurring in the regions in relation to set building, buying of equipment, hiring of property and equipment is considered QWARE.</p> <p>If construction materials are bought from a WARR or WARC this is considered QWARE.</p> <p>If props and set dressing material are bought from a WARR or WARC this is considered QWARE.</p> <p>If the standby props truck and equipment is owned by a WARR or WARC then this is considered QWARE.</p> <p>If vehicles, boats, livestock, vet fees, etc., hire or purchase are sourced from a WARR or WARC this is considered QWARE.</p> |
| H.1 | Construction | |
| H.2 | Props & Set Dressing | |
| H.3 | Action Props and Vehicles | |
| H.4 | Livestock | |
| H.5 | SFX and Armoury | |
| H.6 | VFX | |
| H.7 | Animation and Puppetry | |
| I. | Image Capture | <p>Data storage bought in the regions from a WARR or WARC is considered QWARE.</p> <p>Data management fees and expenses are QWARE if paid to a WARR or WARC.</p> |
| J | Inserts, Stock Footage and Archival Footage | <p>Archives and the associated copyright fees sourced from a WARR or WARC are QWARE.</p> <p>Expenses associated with new footage are QWARE if paid to a WARR OR WARC.</p> |
| K | Equipment and Stores | All equipment sourced from a WARR or WARC are considered QWARE. |
| L | Rentals and Storage | <p>If the production office and storage is located in the regions for the entirety of the filming activity, then all rental costs are considered QWARE.</p> <p>If more than one production office and storage is set up during production and is outside of the nine regions, i.e. is in the Perth metropolitan region, then the total expenses need to be divided accordingly.</p> |
| M | Travel and Transport | <p>If flights are booked through an accredited Western Australian regional travel agent then 50 per cent of travel (including visas, excess baggage) into and out of Western Australia is considered QWARE*.</p> <p>If flights are booked through an accredited Western Australian regional travel agent then 100 per cent of travel (including visas, excess baggage) within Western Australia is considered QWARE*.</p> <p>If flights are booked through a non-regional Western Australian travel agent then this is not considered QWARE.</p> <p>If hire vehicles are booked through an accredited Western Australian regional hire vehicle company then 100 per cent</p> |

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| | | <p>of vehicle hire is considered QWARE*.</p> <p>Petrol costs spent in the regions are considered QWARE*.</p> <p>Only Vehicle Allowances for vehicles belonging to a WARR may be claimed as QWARE.</p> <p>Travel costs associated with the transportation of equipment trucks to the regional filming activity are considered QWARE*.</p> <p>If freight is booked through an accredited Western Australian regional freight agent then 100 per cent of freight into and out of the region is considered QWARE*.</p> <p>If freight is booked through a non-Western Australian regional freight agent then 50 per cent of freight costs into and out of the region is considered QWARE.</p> <p>*Screenwest may require evidence verifying the regional travel agent, hire car company and/or freight agent, transportation and associated costs.</p> |
| N | Accommodation, Living, Catering | <p>All accommodation based in the region is considered QWARE if the fee is paid to a WARC.</p> <p>Where the caterer is a WARC, then associated costs are QWARE.</p> <p>Where the caterer is a non-WARC, then 40 per cent of the catering costs are considered QWARE.</p> <p>All per diems paid for production activity that occurs in the region, regardless of whether paid to a non-WARR or non-WARC, is considered QWARE.</p> |
| O | Insurances | <p>If insurances are sourced using a Western Australian regionally based insurance broker or a WARC, then costs are QWARE.</p> |
| P | Office Expenses | <p>Office expenses, supplies, hire etc. bought or sourced from a WARR are considered QWARE.</p> |
| Q | Offshore Shoot | <p>Equipment and materials bought or hired from a WARR or WARC and transported to an overseas shoot component is QWARE.</p> <p>If a WARR or WARC is employed for an overseas shoot component their fees are considered QWARE.</p> |
| R | Post-Production Crew | <p>All fees, overtime and loadings for crew that qualify as WARR are considered QWARE.</p> |
| S | Post-Production Rentals & Office Expenses | <p>If the post-production office is set up within the region for the entirety of the filming activity then all associated costs are QWARE.</p> <p>If more than one post-production office is set up and is outside of the nine regions, i.e. is in the Perth metropolitan region, then the total expenses need to be divided</p> |

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| | | accordingly. |
| T | Post-Production Travel and Accommodation | As per travel and accommodation costs above. See M and N. |
| U | Image Post-Production (finishing on tape) | If picture post activity occurs within the region then this is QWARE. If titles and graphics are created using a WARR or WARC then associated costs are QWARE. If digital visual effects are created by a WARR or a WARC then costs are QWARE. |
| V | Sound Post-Production | If sound post-production is done by a WARR or WARRC then costs are QWARE. |
| W | Music | Where a WARR or WARRC is involved with the performing, composing, recording, research, hire of equipment, etc. then this is considered QWARE. Pre-existing music rights and clearance costs are not QWARE unless the fee is paid directly to a WARR or if the music was produced by a WARR musician, band etc., then regardless of who owns the rights, clearance costs are QWARE. |
| X.1 | Publicity and Stills - Production and Post-Production | If the Electronic Press Kit is produced by a WARR or WARC this is QWARE. If stills or print fees are paid to a WARR or WARRC then this is QWARE. |
| X.2 | Delivery Requirements | Any associated costs e.g. post-production scripts, freight of delivery items etc., paid to a WARR or WARC are QWARE. |
| Y | Legal and Business | If legal representatives or tax accountants are WARR or WARC then costs are QWARE. If the auditor or the company is WARR or WARC then associated costs are QWARE. Rebate application costs are not QWARE. Interest is not QWARE unless interest payments are being made to a WARR or WARC. Bank fees are QWARE if the branch used is based in the regions. If company is a WARC then company fees and expenses are QWARE. Exchange rate fluctuation contingency is not QWARE. |
| Z. | Overheads | If the production company is a WARC then overheads are QWARE. |
| | Completion Guarantee | As there are currently no WARR Completion Guarantors, this is not QWARE. |
| | Contingency | Calculation of contingency is left to the production |

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| | | company's discretion, taking into consideration where pre-production, principal photography and post-production is occurring. Screenwest reserves the right to question the level of QWARE contingency. |
| | Finance costs | If prospectus document or offer document is created using a WARR or WARC then costs are QWARE. |