



**DEVELOPMENT  
PROGRAM**  
**GUIDELINES**  
**2010-2011**

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## Interpretation, Application, Disclaimer, and other Important Information

These Guidelines are for the information and convenience of Applicants (as defined in [section 3.1](#)) to the Canada Media Fund (CMF). They provide an overview of the objectives of the CMF, the manner in which the CMF is administered, and information on typical administrative practices of the CMF. Compliance with these Guidelines is a prerequisite to eligibility for any CMF funding.

The CMF has full discretion in the administration of its programs and in the application of these Guidelines to ensure funding is provided to those projects that contribute to the fulfillment of its mandate. In all questions of interpretation of these Guidelines the interpretation by the CMF shall prevail.

All Applicants and broadcasters (where relevant) must abide by the Accounting and Reporting Requirements (ARR) of the CMF and follow applicable business policies as created and amended from time to time. Business policies, including the ARR, may be found in Appendix B of these Guidelines and are also available from the CMF website at [www.cmf-fmc.ca](http://www.cmf-fmc.ca). Information included in Appendices A and B is an integral part of these Guidelines.

Productions that receive CMF funding in a given year are subject to the Guidelines and the CMF policies that are in effect for that fiscal year. For greater clarity, changes to CMF Guidelines and/or policies made in a subsequent fiscal year will not be applied retroactively, unless specifically stated. The CMF fiscal year is April 1 to March 31.

*Please note: These Guidelines may be changed or modified as required, without notice. Please consult the CMF website at [www.cmf-fmc.ca](http://www.cmf-fmc.ca) to receive the latest Guideline news and documentation.*

## 1. INTRODUCTION TO THE CANADA MEDIA FUND

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### **About the Canada Media Fund**

The Canada Media Fund (CMF) champions the creation of successful, innovative, Canadian content and software applications for current and emerging digital platforms through financial support and industry research. Created by Canada's cable and satellite distributors and the Government of Canada, the CMF aspires to connect Canadians to our creative expressions, to each other, and to the world.

The CMF disburses funding through two streams: the Experimental Stream and the Convergent Stream. The CMF supports the creation of content that represents the variety of languages spoken by Canadians and the regions of the country in which they live.

For further information about the programs, results, management, and governance of the CMF, visit [www.cmf-fmc.ca](http://www.cmf-fmc.ca).

### **ABOUT THE DEVELOPMENT PROGRAM**

The Development Program, which forms part of the CMF's Convergent Stream, allocates funding to projects at the development stage.

#### **1.1 HOW TO READ THESE GUIDELINES**

Projects in the Convergent Stream may involve both a Television Component and one or more Digital Media Components. The eligibility and technical requirements for these two components may be very different. In these Guidelines, sections dealing with requirements for the Television Component only use ".TV" in their section number, and sections dealing with requirements for the Digital Media Component only use ".DM". Sections dealing with requirements for the entire convergent project—i.e. the Television Component and, where applicable, the Digital Media Component—simply use a section number without reference to ".TV" or ".DM".

Unless otherwise indicated, in these Guidelines the term "broadcaster" includes both a traditional, schedule-based broadcaster and a CRTC-licensed video-on-demand (VOD) service; the term "broadcast" includes both traditional, scheduled broadcast and making content available via a CRTC-licensed VOD service.

## 2. HOW THE DEVELOPMENT PROGRAM WORKS

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### 2.1 INTRODUCTION

The CMF supports the development of innovative Canadian content for television and digital platforms through a range of programs. In this Program, the CMF seeks to encourage production from a variety of regions and in both official languages.

Eligible Projects (see [section 3.2](#)) in this Program must be convergent: they must have a Television Component (see [section 3.2.TV](#)) and one or more Digital Media Components (see [section 3.2.DM](#)).

As such, the Development Program operates through three sub-programs:

- English Development Envelope;
- French Selective Process Development; and
- French Regional Development.

Some of these sub-programs have various segments. Details can be found in the relevant section for each sub-program in these Guidelines.

The CMF also provides development financing through the Francophone Minority and the Aboriginal Programs. See those Guidelines for more information.

#### 2.1.1 Definitions Applicable to the Development Program: In-house Programming and Affiliated Programming

A broadcaster-affiliated production company is an Applicant, as defined in section 3.1(1), that is affiliated with a Canadian broadcaster (the CMF uses the definition of “Affiliate” set out in the *Canada Business Corporations Act*). Affiliated Programming are projects produced by a broadcaster-affiliated production company which are licensed by its affiliated broadcaster(s). In-house Programming are projects produced and owned by a Canadian broadcaster.

A maximum of 15% of the funds available in each sub-program will be allocated to Affiliated Programming and In-house Programming. In the English Development Envelope Sub-Program, broadcasters are limited in the amount that they are permitted to commit on Affiliated Programming and In-house Programming to 15% of their English Development Envelope (see section F.3 of the English Development Manual).

### 2.A ENGLISH DEVELOPMENT ENVELOPE

#### 2.A.1 Introduction

In the English Development Envelope Sub-Program, the CMF contributes to English Eligible Projects through English Development Envelopes (see [section 3.2](#)), which are allocations of CMF program funds made to English-language Canadian broadcasters. Broadcasters may then choose which development projects they wish to allot a portion of their English Development Envelope to, subject to specified Maximum Contribution amounts (see [section 2.A.2](#)) and other specified limitations. To be eligible, projects must have received a financial commitment from the broadcaster in question (Development Fee) that meets or exceeds a specified minimum amount (Development Fee Threshold, see [section 2.A.3](#)) for the Television Component and the Digital Media Component(s). Maximum Contribution and Development Fee Threshold amounts are calculated based upon the Eligible Costs of the Television Component and Digital Media Component(s) (see [section 2.3](#)).

Broadcasters may not transfer funds between Performance Envelopes and English Development Envelopes.

### **2.A.1.1 Definition of Regional Development Project**

For the purposes of the regional incentive, described at [sections 2.A.2](#) and [2.A.3](#) below, a Regional Development Project is a project in which:

- a) The Applicant (or, where there are separate Applicants for the Television Component and the Digital Media Component(s), the Applicant which owns the rights to the Television Component) is based in a region with its head office situated in a region; and
- b) The regional Applicant (or, where there are separate Applicants for the Television Component and the Digital Media Component(s), the Applicant which owns the rights to the Television Component) initiates and continues to meaningfully participate in the project's development, and must retain at least 51% ownership of the copyright interest in the project.

In this section, "region" or "regional" is defined as any part of Canada more than 150 km by shortest reasonable roadway route from Montreal, Toronto or Vancouver. "Region" or "regional" also includes any part of Vancouver Island.

### **2.A.2 Amount of Funding Contribution**

Broadcasters may decide what proportion of their Broadcaster Development Envelope to allot to an Eligible Project, up to a specified Maximum Contribution amount. Broadcasters may allot a Broadcaster Development Envelope contribution to either the Television Component, the Digital Media Component, or both components. The Maximum Contribution by the CMF for the English Development Envelope sub-program shall be the lesser of:

For the Television Component of the project:

- a) 50% (or 75% for a Regional Development Project) of the Eligible Costs in development, all phases combined; and
- b) \$200,000, all phases combined, for big-budget series development (more than seven episodes) in all genres, \$125,000, all phases combined, for dramatic mini-series (generally six episodes or less, which handle a subject matter in its entirety and in a manner which results in a conclusion; the intention is that the mini-series will not be renewed), or \$100,000, all phases combined, for all other eligible types of programming.

For the Digital Media Component of the project:

- a) 50% of the Eligible Costs in development, all phases combined; and
- b) \$50,000, all phases combined.

The broadcaster's entire Development Fee and any other confirmed sources of development financing must be included within the financial structure prior to confirmation of the CMF contribution amount, up to the Maximum Contribution level. An Eligible Project may access this per project Maximum Contribution amount over one or more phases. Multiple phases at the time of application will be eligible if ordered by the broadcaster, subject to phase triggering deliverables as outlined within the CMF contract. The broadcaster agreement must clearly indicate the deliverables being commissioned for each phase of a multi-phase application.

### **2.A.3 Broadcaster Development Fee Thresholds**

All applications for development financing in this sub-program must include a commitment for a Development Fee by a Canadian broadcaster or broadcasters who has/have access to a CMF Broadcaster Development Envelope. Development Fees must meet or exceed a minimum amount, expressed as a percentage of the Eligible Costs of the Television Component and the Digital Media Component of the project (Development Fee Threshold), to be eligible for CMF funding. Development Fee Threshold amounts for this sub-program are the following:

For the Television Component of the project:

- a) For Regional Development Projects, the Development Fee Threshold is 25% of the Eligible Costs in development.
- b) For all other projects, the Development Fee Threshold is 50% of the Eligible Costs in development.
- c) If there is a third-party financier who is not a Canadian broadcaster, the Development Fee Threshold may be reduced. Such a contribution will reduce, pro rata, the CMF contribution and the broadcaster Development Fee(s) in proportion to the third-party contribution.

For the Digital Media Component of the project:

- a) For all projects, the Development Fee Threshold is 10% of the Eligible Costs in development.

Up to two broadcasters may provide Development Fees which combined, meet the Development Fee Threshold:

## 2.A.4 Application Process

Open for submissions	Final closing date
April 1, 2010	November 19, 2010

### Deadline Definitions

*Open for Submissions: Applicants to this sub-program may submit applications beginning on the date indicated above.*

*Final Closing Date: The final closing date is the final application deadline for submitting applications for the fiscal year. Any amount remaining in a Broadcaster's Development Envelope for which the CMF has not received a complete, eligible application by the final closing date will be transferred into the CMF's reserve fund.*

## 2.B FRENCH DEVELOPMENT

### 2.B.1 French Selective Process Development

#### 2.B.1.1 Introduction

In the French Selective Process Development Sub-Program, the CMF contributes to French Eligible Projects (see [section 3.2](#)) through a selective process in which projects from across Canada are evaluated and comparatively assessed within the same genre and development phases. The CMF may choose which development projects it wishes to contribute funding to and how much to contribute subject to specified Maximum Contribution amounts (see [section 2.B.1.2](#)) and other specified limitations. To be eligible, projects must have received a financial commitment from a Canadian broadcaster (Development Fee) that meets or exceeds a specified minimum amount (Development Fee Threshold, see [section 2.B.1.3](#)) for the Television Component and the Digital Media Component(s). Maximum Contribution and Development Fee Threshold amounts are calculated based upon the Eligible Costs of the Television Component and the Digital Media Component(s) of the project (see [section 2.3](#)).



The decision-making in the evaluation process will be based on the following criteria, while ensuring that the overall portfolio reflects a diversity of voices (including diversity of genres and sub-formats, talent development, underrepresented communities and regions):

- 1) Originality and marquee elements;
- 2) Quality of the creative package (production value);
- 3) Track record of the producer and creative team; and
- 4) Level of broadcaster's financial contribution.

### **2.B.1.2 Amount of Funding Contribution**

The CMF may decide, at its discretion, the amount of its financial contribution to an Eligible Project, up to a specified Maximum Contribution amount. The CMF's Maximum Contribution for this Sub-Program shall be the lesser of:

For the Television Component of the project:

- a) 60% of the Eligible Costs in development, all phases combined;
- b) \$200,000, all phases combined, for big-budget series development (more than 7 episodes) in all genres, or \$125,000, all phases combined, for dramatic mini-series (generally six episodes or less, which handle a subject matter in its entirety and in a manner which results in a conclusion, with the intention that a mini-series will not be renewed), or \$100,000, all phases combined, for all other eligible types of programming; and
- c) Per phase, the applicable amounts, as stated in the following chart:

Format	Documentaries	Dramas
1 x 60 min.	\$25,000	\$30,000
1 x 90 min.	\$30,000	\$35,000
Mini-series (6 episodes or fewer)	\$35,000	\$40,000
Series (7 episodes or more)	\$45,000	\$50,000

For the Digital Media Component of the project:

- a) 50% of the Eligible Costs in development, all phases combined; and
- b) \$50,000, all phases combined.

### **2.B.1.3 Broadcaster Development Fee Thresholds**

All applications for development financing in this Sub-Program must include a commitment for a Development Fee by a Canadian broadcaster or broadcasters. Development Fees must meet or exceed a minimum amount, expressed as a percentage of the Eligible Costs of Television Component and the Digital Media Component of the project (Development Fee Threshold), to be eligible for CMF funding. Development Fee Threshold amounts for this Sub-Program are the following:

For the Television Component of the project:

Genre	Development Fee Threshold
Drama and pilots of all genres	25%
Documentary, children's & youth, variety & performing arts	15%

For the Digital Media Component of the project:

- a) The Development Fee Threshold is 10% of the Eligible Costs in development.

#### 2.B.1.4 Application Process

First Closing Date	Final closing date
June 4, 2010 (up to 50%)	November 5, 2010 (balance of funds)

#### Deadline Definitions

*Closing Dates: French Selective Process development funding is allocated across two closing dates. Development funds will be reserved for each application closing date, subject to demand, as detailed above. For each application closing date, the allocation of funds will be adjusted according to demand by genre.*

*Projects that are unsuccessful at one closing date may not re-apply for the same development phase at a later closing date within the same fiscal year. Re-applications for the same project within the fiscal year will be considered only if there are significant changes to the project, to be determined at the sole discretion of the CMF, including changes to the writer, producer, broadcaster, format, or more fully developed creative material.*

#### 2.B.2 French Regional Development

Eligible Applicants to the French Regional Development Sub-Program (or, where there are separate Applicants for the Television Component and the Digital Media Component(s), the Applicant which owns the rights to the Television Component) must have their head office in the province of Quebec and be more than 150 km by shortest reasonable roadway route from Montreal. This Sub-Program has two segments:

- French Regional Project Development
- French Regional Project Pre-Development

##### 2.B.2.1 French Regional Project Development

###### 2.B.2.1.1 Introduction

In this segment, the CMF contributes to French Eligible Projects (see [section 3.2](#)) on a first come, first served basis until resources are depleted. The CMF may contribute to Eligible Projects at the requested level subject to specified Maximum Contribution amounts (see [section 2.B.2.1.2](#)) and other specified limitations. To be eligible, projects must have received a financial commitment from a Canadian broadcaster (a Development Fee) that meets or exceeds a specified minimum amount (Development Fee Threshold, see [section 2.B.2.1.3](#)). Maximum Contribution and Development Fee Threshold amounts are calculated based upon a project's Eligible Costs (see [section 2.3](#)).

Eligible Applicants may apply with a maximum of two Eligible Projects per fiscal year. Where an Applicant receives funding for two projects in a fiscal year, only one may be a returning series.

In the event that several projects are competing for limited resources, the CMF reserves the right to select projects based on the following criteria:

- a) Originality and marquee elements;
- b) Quality of the creative package (production value);
- c) Track record of the producer and creative team; and
- d) Level of broadcaster financial contribution.

#### **2.B.2.1.2 Amount of Funding Contribution**

The CMF may contribute financially to an Eligible Project in this component at the level requested by the Applicant, up to the Maximum Contribution. The broadcaster's full Development Fees and any other confirmed sources of development financing must be included within the financial structure prior to the CMF reaching the Maximum Contribution level. The CMF's Maximum Contribution for this segment shall be the lesser of:

For the Television Component of the project:

- a) 65% of the Eligible Costs in development, all phases combined;
- b) \$200,000, all phases combined, for big-budget series development (more than 7 episodes) in all genres, or \$125,000, all phases combined, for dramatic mini-series (generally six episodes or less, which handle a subject matter in its entirety and in a manner which results in a conclusion, with the intention that a mini-series will not be renewed), or \$100,000, all phases combined, for all other eligible types of programming; and
- c) Per phase, the applicable amounts, as stated in the following chart:

<b>Format</b>	<b>Documentaries</b>	<b>Dramas</b>
1 x 60 min.	\$25,000	\$30,000
1 x 90 min.	\$30,000	\$35,000
Miniseries (6 episodes or fewer)	\$35,000	\$40,000
Series (7 episodes or more)	\$45,000	\$50,000

For the Digital Media Component of the project:

- a) 50% of the Eligible Costs in development, all phases combined; and
- b) \$50,000, all phases combined.

### 2.B.2.1.3 Broadcaster Development Fee Thresholds

All applications for development financing in this segment must include a commitment for a Development Fee by a Canadian broadcaster or broadcasters. Development Fees must meet or exceed a minimum amount, expressed as a percentage of the Eligible Costs of the Television Component and the Digital Media Component of the project (Development Fee Threshold) to be eligible for CMF funding. Development Fee Threshold amounts for this segment are the following:

For the Television Component of the project:

Genre	Development Fee Threshold
Drama and pilots of all genres	15%
Documentary, children's & youth, variety & performing arts	10%

For the Digital Media Component of the project:

- a) The Development Fee Threshold is 10% of the Eligible Costs in development.

### 2.B.2.1.4 Application Process

Open for submissions	Final closing date
April 1, 2010	November 5, 2010

#### Deadline Definitions

*Open for Submissions: All Applicants to this sub-program may submit applications beginning on the date indicated above.*

*Final Closing Date: Applications will be accepted until the final closing date, or until funds for this sub-program are depleted, whichever comes first. The final closing date is the deadline for submitting all applications for the fiscal year.*

### 2.B.2.2 French Regional Project Pre-development

#### 2.B.2.2.1 Introduction

This segment seeks to fund French-Language Quebec regional programming in pre-development that has not secured development funding from a broadcaster. In this segment, the CMF contributes to Eligible Projects (see [section 3.2](#)) on a first come, first served basis until resources are depleted. The CMF may contribute to Eligible Projects at the requested level subject to specified Maximum Contribution amounts (see [section 2.B.2.2.2](#)) and other specified limitations.

Eligible Applicants may apply with a maximum of two Eligible Projects per fiscal year, neither of which may be a returning series.

In the event that several projects are competing for limited resources, the CMF reserves the right to select projects based on the following criteria:

- a) Originality and marquee elements;
- b) Quality of the creative package (production value); and
- c) Track record of the producer and creative team.

#### 2.B.2.2.2 Amount of Funding Contribution

The CMF may contribute financially to an Eligible Project in this segment at the level requested by the Applicant up to a Maximum Contribution of \$5,000 per Eligible Project.

#### 2.B.2.2.3 Broadcaster Commitment

All applications for pre-development financing must include a letter of interest from a Canadian broadcaster. There is no requirement for a broadcaster to commit a Development Fee under this component.

#### 2.B.2.2.4 Application Process

Open for submissions	Final closing date
April 1, 2010	November 5, 2010

#### Deadline Definitions

*Open for Submissions: All Applicants to this sub-program may submit applications beginning on the date indicated above.*

*Final Closing Date: Applications will be accepted until the final closing date, or until funds for this sub-program are depleted, whichever comes first. The final closing date is the deadline for submitting all applications for the fiscal year.*

## 2.2 NATURE OF FUNDING CONTRIBUTION

Successful Applicants to all Development Sub-Streams receive non-interest bearing advances. In the French Regional Development Sub-Program, Project Development component (section 2.B.2.1), 75% of the advance must be repaid on or before the earliest event of repayment as described below. In all other Development Sub-Streams, 100% of the advance must be repaid on or before the earliest event of repayment as described below.

Events of repayment are:

- a) For the Television Component:
  - i) The first day of official preparation for principal photography of the Television Component or upon other use of the script; and
  - ii) The transfer, sale assignment or other disposition of the script.
- b) For the Digital Media Component:
  - i) The first day of commencement of production of the Digital Media Component or any other use of the digital media concept; and
  - ii) The transfer, sale, assignment or other disposition of the digital media concept.

## 2.3 ELIGIBLE COSTS

Eligible Costs are the costs set out in the development budget for each component of the Eligible Project or the final cost report, as applicable (including both related-party and non-related party costs), plus any costs the CMF considers necessary, minus any costs that the CMF considers excessive, inflated or unreasonable. Assessment of a project's Eligible Costs shall be done at the CMF's sole discretion. The participation of the CMF is calculated based on the Eligible Costs of each component. The CMF estimates Eligible Costs at the time of application, based upon the budgets for the project.

The Television Component and the Digital Media Component(s) must have separate budgets reflecting the separate and distinct work that is done on each component. The following subsections of 2.3.2 relate specifically to the television and Digital Media Components as indicated.

In this Program, only Canadian costs are Eligible Costs. Costs incurred prior to the Applicant entering into an eligible development agreement\* are not Eligible Costs, with the exception of the option or acquisition of rights and the expenses associated with acquiring those rights, as long as they are not paid to a person with ownership interest.

*Note: An eligible development agreement is the current, legally binding agreement between the Applicant and a Canadian broadcaster that triggers the CMF development funding that is the subject of the application, and includes, where applicable, a Development Fee that meets the applicable Development Fee Threshold.*

Unless more than one phase is ordered by a broadcaster at the time of application, the CMF generally apportions development assistance in phases, with each phase subject to a separate application and decision. These phases typically correspond with the writing of individual drafts of the screenplay.

See sections [2.3.2.TV.1](#) and [2.3.2.DM](#) and [2.3.2.TV.2](#) for information on Eligible Costs in development and pre-development respectively.

Additional CMF business policies relating to Eligible Costs are in Appendix B of this document.

### 2.3.1 Related-Party Transactions

All related-party fees, related-party allowances and any other related-party transactions must be:

- Disclosed to the CMF; and
- In accordance with the CMF/Telefilm Canada Accounting and Reporting Requirements of January 1, 2006, more specifically but not limited to Sections 3 and 4.

### 2.3.2.TV.1 Eligible Costs in Television Development

The CMF supports scriptwriting and other activities normally associated with television project development, including those related to audience research.

Depending on the phase of development, the following costs may be Eligible Costs:

- Research;
- Third Party Optioning or acquisition of rights;
- Scriptwriting (1st draft scripts, polish, bible etc.);
- Script workshops;
- Development of production budget and financing;
- Audience research;
- Focus groups;
- Short non-broadcast demos;

- Producer fees and corporate overhead (subject to the Producer Fees and Corporate Overhead Policy);
- Accounting fees (if review engagement is required as per the Accounting and Reporting Requirements);
- Arms length legal costs; or
- The following pre-production costs (the CMF anticipates that these costs will generally not exceed 10% of the total development costs per project; the CMF reserves the right to disallow these costs, or a portion thereof, if deemed excessive):
  - Cast retention;
  - Set retention;
  - Travel costs related to procuring international pre-sales; and
  - Showrunner fees.

The CMF development budget templates outline specific costs allowable at each phase of development, per genre.

### **2.3.2.TV.2 Eligible Costs in Television Pre-Development**

This section refers to the French Regional Project Pre-Development segment of section 2.B.2.2 only.

The following costs may be Eligible Costs for a project in the pre-development stage which does not have a financial contribution from a broadcaster:

- Preliminary research;
- Scriptwriting consultant;
- Story editor;
- Writing of preliminary synopsis and treatment;
- Production of several drawings (animation);
- Printing and collating costs;
- Travel expenses incurred to meet broadcasters;
- Production fees and management expenses.

### **2.3.2.DM.1 Eligible Costs in Digital Media Development**

The CMF supports activities related to the development of rich and substantial digital media content associated with the Television Component of the project. Depending on the project, the following may be Eligible Costs:

- Research;
- Development of production budget and financing;
- Technology and content design;
- Market research;
- Prototype development; and
- Detailed production planning.

### 3. ELIGIBILITY FOR FUNDING

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#### 3.1 ELIGIBLE APPLICANTS

An eligible Applicant to the CMF is either:

- 1) A company that:
  - a) is a for-profit (i.e. a taxable Canadian corporation, within the meaning of the *Income Tax Act (Canada)*) production company;
  - b) is Canadian-controlled as determined for the purposes of sections 26 to 28 of the *Investment Canada Act*, and
  - c) has its head office based in Canada.

or

- 2) A Canadian broadcaster, public or private, that is licensed to operate as such by the Canadian Radio-television & Telecommunications Commission (CRTC), including a CRTC-licensed VOD service.

In addition, when assessing an Applicant's eligibility, the CMF may choose to look at factors, including:

- a) If the Applicant's activities take place in Canada;
- b) The financial stability of the Applicant (with appropriate exceptions for new production companies without established parent companies); and
- c) Whether or not the Applicant operates principally as an interactive, television or film production entity, or is a Canadian broadcaster.

Applicants who are unincorporated, but meet all other requirements above, may apply for development financing if they have never received CMF funding before. Applicants, however, will be required to incorporate prior to the signing of a development agreement with the CMF.

*Note: For the purposes of these Guidelines, the term Applicant is deemed to mean and include all co-applicants and/or parent companies as applicable.*

#### 3.2 ELIGIBLE PROJECTS

An Eligible Project in this Program is defined as a project that meets all of the criteria of section 3.2, and all subsections that may be applicable in the context of development.

All Eligible Projects must be convergent: they must consist of both a Television Component and one or more Digital Media Components. The content of each component must be associated with each other.

Eligibility for development funding does not guarantee Applicant or project eligibility for CMF production financing.

##### 3.2.TV The Television Component

The Television Component of an Eligible project must be developed as a Canadian production or intended as an official treaty co-production. A Canadian scriptwriter must be involved in all stages of development. For projects intended to be Canadian official treaty co-productions, the active contribution of a Canadian scriptwriter is required.



The Applicant must have acquired all rights and options to the project, exclusive for at least 24 months, which are necessary for the adaptation of the original work or concept, the scriptwriting, the production and worldwide distribution.

Eligible Projects must have completed all previous phases of development (and have received the final disbursement for the prior phase) before applying for a new phase.

The CMF recognizes that projects at the development stage are necessarily nascent, evolving works that may be unable to strictly comply at application with all of the requirements of [section 3.2](#) and all its subsections. As such, Eligible Projects must be reasonably intended to comply with the four Essential Requirements (see section 3.2.1), as appropriate to each category of production and programming genre, as set out in Appendix A plus all other requirements of sections 3.2.1 through 3.2.4 as may be applicable to development. The CMF shall determine, at its sole discretion, whether a development project is reasonably intended to comply with sections 3.2.1 through 3.2.4.

### **3.2.TV.1 Essential Requirements**

A production must meet all of the Essential Requirements listed below. In the case of a series, the Essential Requirements are applicable to every episode of the cycle, whether or not all such episodes are submitted for CMF funding. The CMF has full discretion to decide whether or not a project meets the Essential Requirements; the interpretation of the CMF shall prevail.

- 1) The project speaks to Canadians and is primarily intended for a Canadian audience.
- 2) The project will be certified by the Canadian Audio-Visual Certification Office (CAVCO) and has achieved 10/10 points (or the maximum number of points appropriate to the project), as determined by the CMF using the CAVCO scale.
- 3) Underlying rights are owned, and significantly and meaningfully developed, by Canadians.
- 4) The project is shot and set primarily in Canada.

Further details on these Essential Requirements and permissible genre-specific exceptions are provided in Appendix A to these Guidelines. This Appendix includes additional important information and is an integral part of these Guidelines.

#### **3.2.TV.1.1 Official Treaty Co-Productions**

With respect to the eligibility of official treaty co-productions to access the CMF, the Essential Requirements indicated above shall be interpreted so as to treat the treaty co-production partner as “Canadian.”

Accordingly, the terms “Canadian” and “Canadians” in Essential Requirements 1 and 3, and the term “Canada” in Essential Requirement 4 will be deemed to include the co-production country. The 10/10 points referenced in Essential Requirement 2 must be attained by citizens of Canada or the co-producing country.

With respect to Essential Requirement 2, in the case of a co-production between Canada and a European country part of the European Union, the CAVCO points positions may be filled by a citizen of Canada or any country of the European Union.

### **3.2.TV.2 Genres of Programming**

The CMF supports the following programming genres: drama, documentary, children’s and youth programming, and variety and performing arts programming. The CMF’s definition of each of these genres is contained in Appendix A to these Guidelines.

The following is a non-exhaustive list of genres and programming formats that are not eligible to apply to the CMF: sponsored productions, sports, news, game shows, current affairs, public affairs, lifestyle productions, “how-to” productions, reality television, instructional television, infomercials, music videos, formal or curriculum-based educational programming, foreign format buys without significant Canadian adaptation and creative contribution, magazine productions, talk shows, “talkshows culturels”, award shows, special event celebrations, galas, reporting and current events, religious programming, fundraising productions, benefits, tributes, promotional productions, pep-rallies, travelogues and interstitials.

*Note: Some flexibility exists for children’s and youth programming in this regard. See Appendix A for more information.*

### **3.2.TV.3 Canadian Ownership and Control**

The Television Component must meet the following criteria:

- a) It is under Canadian ownership and Canadian executive and creative control;
- b) It is under the financial control of Canadian citizens or permanent residents;
- c) It is, and has been, controlled creatively and financially by a Canadian production company during all phases of development;
- d) Generally, no more than 49% of the development financing is provided by a single non-Canadian entity, person or related entity. Interim lending of more than 49%, however, may be provided by a non-Canadian arm’s-length entity in the business of lending money and taking security;
- e) The Applicant retains and exercises all effective controls or approvals consistent with those of a producer. This includes control and final approval of creative decisions and financing, distribution and exploitation, and preparation and final approval of budget, subject to reasonable and standard approval rights customarily required by arm’s-length financial participants, including Canadian broadcasters and distributors;
- f) The Applicant owns all rights (including copyright) and options necessary for the development, production and its distribution in Canada and abroad, and retains an ongoing financial interest in the project.

*Note: These criteria shall be interpreted so as to allow Canadian official treaty co-productions to access the CMF.*

### **3.2.TV.4 Miscellaneous Requirements**

The Television Component must meet the following criteria:

- a) It conforms to the Canadian Association of Broadcasters’ (CAB) Code of Ethics and to all programming standards endorsed by the Canadian Radio-television and Telecommunications Commission (CRTC), including the CAB Violence Code and the CAB Equitable Portrayal Code;
- b) It is a new production. A new production is one which is not substantially a repackaged version of a previously-produced production. In the case of a series, the CMF will consider the entire cycle when determining whether the project is a repackaging (e.g. some “best of”, “making-of” and/or “catch-up” episodes may be permitted). Projects comprised mainly of stock footage may be new productions provided that the footage is not merely repackaged in whole or in large segments for the project.

### **3.2.DM Digital Media Component**

A Digital Media Component of an Eligible Project must be an audiovisual, multimedia, or interactive project that:

- a) Is associated with the Television Component; and
- b) Is made available to the Canadian public by way of a digital network, including internet and mobile.

The Digital Media Component must be sufficiently rich and substantial in relation to the TV component; it cannot be an “afterthought” or be intended merely to minimally satisfy the CMF’s Digital Media Component requirement. Sufficiently rich and substantial content may include: “Web 2.0” and higher applications; highly immersive or highly interactive websites, mobile applications/content, or videogames; content or applications that meet or exceed current market standards for richness; or analogous content/applications.

The development of the Digital Media Component must be meaningfully integrated with the development of the Television Component. For example, in early phases of development it may be appropriate that the Digital Media Component exists primarily as a concept or strategy; whereas in later phases of development it may be appropriate that development activity involve prototyping, production planning, content and/or technology design, business and marketing planning, or research and testing.

### **3.2.DM.1 Canadian Content**

A Digital Media Component must meet the following criteria:

- a) Its underlying rights are owned and significantly and meaningfully developed by Canadians;
- b) It is produced in Canada, with at least 75% of its Eligible Costs being Canadian costs; and
- c) Its content is intended primarily for a Canadian audience.

International co-productions may be eligible where there is an acceptable degree of Canadian ownership and control.

### **3.2.DM.2 Ineligible Content**

The following is a non-exhaustive list of types of content that are not eligible as a Digital Media Component: industrial, corporate, or primarily promotional projects; curriculum-based projects; and system software.

A project that consists primarily of existing content reused on new platforms (such as the online streaming/broadcast of existing television programs) is not an eligible Digital Media Component.

### **3.2.DM.3 Canadian Ownership and Control**

A Digital Media Component must meet the following criteria:

- a) It is under Canadian ownership and Canadian executive and creative control;
- b) It is under the financial control of Canadian citizens or permanent residents;
- c) The Applicant retains and exercises all effective controls or approvals consistent with those of a producer; and
- d) The Applicant owns all rights (including copyright) and options necessary for the development, production and distribution of the digital media project in Canada and abroad, and retains an ongoing financial interest in the project

*Note: These criteria shall be interpreted so as to allow international co-productions that have an acceptable degree of Canadian ownership and control to access the CMF.*

### **3.2.DM.4 Miscellaneous Requirements**

A Digital Media Component:

- a) Must be made available to the Canadian public in a meaningful way. What is meaningful in a particular instance will depend on the nature of the project and its distribution plan. The CMF will make this determination on a case by case basis, but in general, in the absence of an acceptable distribution/exploitation plan to the contrary, the CMF considers that making the project available to the Canadian public for at least 3 months contemporaneously with the associated Television Component will be meaningful;
- b) Cannot contain elements of excessive violence, sexual violence, or sexual exploitation or elements which are obscene, indecent or child pornography within the meaning of the Criminal Code (as amended from time to time), or libellous or in any other way unlawful.
- c) Must, when the CMF funds it, be new content. The CMF will not fund an already-existing Digital Media Component.

## 4. COMPLIANCE AND REPRESENTATIONS

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### 4.1 PROVISION OF DOCUMENTATION

It is the responsibility of the Applicant to ensure that the CMF is in receipt of all documentation relevant to their application, and to update such documentation and information after material change. The CMF may request other documentation and information as required in order to conduct an assessment and evaluation of the project and, once assessed, to complete CMF file reviews. For the purposes of project assessment and evaluation, the CMF reserves the right to rely solely on the written and audiovisual materials initially submitted by the Applicant.

### 4.2 FAILURE TO COMPLY

If an Applicant fails to comply with these Guidelines, as determined by the CMF, then the CMF may refuse the application, revoke the eligibility status of the Applicant's project and may demand repayment of any sums paid to the Applicant.

### 4.3 MISREPRESENTATION

If, at any time, an Applicant, as required by the Guidelines or as requested by the CMF, provides false information or omits material information in connection with an application, the Applicant may suffer serious consequences. These may include, among others:

- Loss of eligibility for funding of the current project;
- Loss of eligibility for funding of future productions;
- Repayment of any funds already advanced, with interest;
- Criminal prosecution, in the case of fraud.

These measures may be imposed not only on the Applicant but also on related, associated and affiliated companies and individuals (as determined by the CMF at its sole discretion). Any Applicant receiving approval for funding will be required to sign a legally enforceable agreement, which includes further provisions concerning misrepresentations, defaults and related matters.

## 5. APPLICATION SUBMISSIONS

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For application deadlines applicable to each Development Sub-Program, please see section 2.

### Application Offices

The CMF Program Administrator (Telefilm Canada) administers Development Financing applications on behalf of the Canada Media Fund. Applicants may submit their CMF funding applications through eTelefilm at [www.telefilm.gc.ca](http://www.telefilm.gc.ca) or to any of the following offices:

#### MONTRÉAL

6 - 360 Saint-Jacques Street  
Montréal, Quebec H2Y 1P5  
Toll Free: 1.800.567.0890  
T: 514.283.6363  
F: 514.283.8212

#### HALIFAX

400 - 1717 Barrington Street  
Halifax, Nova Scotia B3J 2A4  
Toll Free: 1.800.565.1773  
T: 902.426.8425  
F: 902.426.4445

#### TORONTO

100 - 474 Bathurst Street  
Toronto, Ontario M5T 2S6  
Toll Free: 1.800.463.4607  
T: 416.973.6436  
F: 416.973.8606

#### VANCOUVER

410 - 609 Granville Street  
Vancouver, British Columbia V7Y 1G5  
Toll Free: 1.800.663.7771  
T: 604.666.1566  
F: 604.666.7754

For inquiries on the status of your CMF funding application, please contact the appropriate office above or call 1.800.463.4607.

For inquiries regarding CMF policies, please contact us at 1.877.975.0766 or at [info@cmf-fmc.ca](mailto:info@cmf-fmc.ca).