



**EXPORT PILOT
PROGRAM
GUIDELINES
2017-2018**

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1. GENERAL INFORMATION

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 CMF interpretation 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. Information included in Appendices A and B is an integral part of these Guidelines.

Projects that receive CMF funding in a given year are subject to the Guidelines and CMF policies in effect for that fiscal year. To be clear, changes to CMF Guidelines and/or policies made in a subsequent fiscal year will not apply 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 for the latest Guideline news and documentation.

Provision of Documentation

It is the responsibility of the Applicant to ensure that the CMF receives all relevant documentation, and to update such documentation and information after a material change. The CMF may request other documentation and information 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.

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.

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 outcomes:

- 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.

2. HOW THE EXPORT PILOT PROGRAM WORKS

2.1 INTRODUCTION

The Export Pilot Program (the “**Program**”) strives to help fund Development activities for Television projects intended for international markets. The Program focusses on acquiring pre-sale financing from foreign broadcasters, online streaming services, distributors and sales agents during the Development period of a Television project’s lifecycle.

Eligible projects under this Program must be in a CMF-supported genre (Drama, Documentary, Children’s and Youth and Variety and Performing Arts, further defined in Appendix A on the CMF website) and will be administered on a first-come/first-served basis until resources for the Program are depleted or until the applicable application deadline, whichever comes first. In the event that a large number of projects are submitted on the same date, creating oversubscription, the CMF shall distribute funding to those projects deemed eligible on a proportional (pro-rated) basis, designate how many submitted projects (per applicant) will receive funding, or in some other equitable manner, to be determined in the CMF’s sole discretion. Eligible Projects may receive funds subject to per-project Maximum Contribution amounts (see [section 2.3](#)) and other specified limitations.

Projects requesting funding must have secured either a Development Fee or an Eligible License Fee¹ (see [section 3.2.4](#)) from a Canadian Broadcaster, but have not yet commenced production. For clarity, projects which have commenced principal photography and/or have executed a production financing agreement with the CMF will be ineligible to apply to this Program.

Funding at this stage will support activities including (but not limited to) travel, accommodation, sales market attendance, pitch materials, limited and sales-specific versioning costs and short non-broadcast demos.

While the Program will support both English and French-language projects, in the English market, only live-action projects are eligible to apply. In the French market, both live-action and animation projects are eligible.

2.2 NATURE OF FUNDING CONTRIBUTION

Successful Applicants receive funding in the form of a non-repayable contribution.

2.3 AMOUNT OF FUNDING CONTRIBUTION

The Maximum Contribution by the CMF shall be the lesser of 75% of a Project’s Eligible Costs or \$75,000.

2.3.1 Combining Funds

Projects submitted to the Program may be projects that have previously received funding from a CMF Development Program. For clarity, however, the following will be ineligible to receive funding from the Program:

- Projects which have received “Page” activity funding from Years 4 or 5 of the CMF’s “Corus – Page to Pitch Program”; and
- Projects which have received “Pitch” activity funding from the CMF’s “Corus – Page to Pitch Program” in any fiscal year.

¹ “Eligible License Fee” under this Program shall be defined in accordance with section 3.2.TV.5 of the [Performance Envelope Program](#), except for sub-section 3.2.TV.5.1.

Funding will be awarded separately and in addition to any amounts contributed to the project through other CMF Programs and without regard to Maximum Contribution amounts applicable to those Programs.

2.4 ELIGIBLE COSTS

Eligible Costs for Projects are costs set out in the Export Pilot Program budget of the Eligible Project (including both related-party and non-related-party costs) – plus costs the CMF considers necessary and minus costs the CMF considers excessive, inflated or unreasonable. For clarity, costs that are already included in a project's Development budget which is already supported by the CMF are not eligible costs to this Program. Further, if the same Applicant applies to this Program with multiple projects, redundant and duplicate costs for similar travel, accommodation and/or market attendance will be deemed excessive and ineligible. Assessment of a project's Eligible Costs is at the CMF's sole discretion. CMF participation is calculated on the Eligible Costs of the Project. The CMF estimates Eligible Costs at the time of application, based on the budget for the Project.

It is important to note that while funding includes an Applicant's travel costs and foreign market attendance, it must also include costs associated with the creation of pitch materials.

The following costs may be considered Eligible Costs:

- Creation of pitch material including short non-broadcast demos
- Limited translation, dubbing and subtitling for previously produced episodes of a project for the purposes of non-broadcast sales tools.
- Development of production budget and financing
- Travel and accommodation costs related to procuring international pre-sales
- Sales market attendance
- Arms-length legal costs
- 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)

Additional CMF business policies relating to Eligible Costs are in [Appendix B](#).

2.4.1 Related-Party Transactions

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

- Disclosed to the CMF
- In accordance with the current CMF Accounting and Reporting Requirements.

3. ELIGIBILITY FOR FUNDING

3.1 ELIGIBLE APPLICANTS

An eligible Applicant to the CMF is a company that:

- a) Is a for-profit (i.e., a taxable Canadian corporation, within the meaning of Canada's Income Tax Act) production company;
- b) Is Canadian-controlled as determined in sections 26 to 28 of the Investment Canada Act;
- c) Has its head office in Canada.

Note: For the purposes of these Guidelines, the term Applicant includes all coapplicants, parent companies, related, associated and/or affiliated companies or individuals (as determined by the CMF at its sole discretion), as applicable.

3.2 ELIGIBLE PROJECTS

While the Program will support both English and French-language projects, in the English market, only live-action projects are eligible to apply. In the French market, both live-action and animation projects are eligible.

An Eligible Project in this Program is defined as a Television Project that meets all relevant criteria and subsections applicable under these Guidelines. The CMF recognizes that Projects at the development stage are necessarily nascent, evolving works that may not strictly comply at application with the Essential Requirements necessary for funding which are found in all Production-related CMF Programs. Applicants are encouraged to review these Essential Requirements (and any requirement necessary for eligibility in Programs that are applicable for the later stages of a Project's lifecycle). As such, Eligible Projects under this Program must be reasonably intended to comply with all future applicable CMF Program requirements and the CMF shall solely determine whether a Project is realistically expected to comply with the requirements under all relevant and applicable CMF Programs.

An Eligible Project must be developed as a Canadian production or intended as an audiovisual treaty coproduction. A Canadian scriptwriter must be involved in all stages of development. For projects meant for Canadian audiovisual treaty coproductions, 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 (with appropriate case-by-case exceptions for a purchased format).

Further, each Applicant may only submit a maximum of three (3) Projects.

Eligibility for funding in this Program does not guarantee an Applicant's or Project's eligibility for further CMF through other CMF programs.

3.2.1 Genres of Programming

The CMF supports the following genres: drama, documentary, children's and youth programming, and variety and performing arts. The CMF defines each in [Appendix A](#) of 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 programs, foreign format buys without significant Canadian adaptation and creative contribution, magazine productions, talk shows, "talkshows culturels," non-cultural award shows and galas², reporting and current events, religious programs, fundraising productions, benefits, tributes, promotional productions, pep rallies, travelogues and interstitials.

Note: Some flexibility exists for children's and youth programming. See [Appendix A](#) for more information.

3.2.2 Canadian Ownership and Control

The Project must meet these 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 the 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 (with appropriate case-by-case exceptions for a purchased format), and retains an ongoing financial interest in the project.

Note: The interpretation of these criteria shall allow Canadian audiovisual treaty coproductions to access the CMF.

3.2.3 Miscellaneous Requirements

The Project must conform 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.

² Cultural award shows and galas that meet the CMF's Variety and Performing Arts definition shall be considered eligible programming.

3.2.4 Eligible Development or Licence Fee Requirements and Conditions

All applications for financing in this Program must include a Development Fee or Eligible Licence Fee from a Canadian Broadcaster with a Development or Performance Envelope allocation (as applicable) with the CMF.

However, there is no minimum threshold for the Development Fee or the Eligible Licence Fee for this Program.

3.2.5 Key dates

Applications for financing in this Program will be accepted beginning on January 23, 2018. Applications will be accepted until March 6, 2018, or until funds for the program are depleted, whichever comes first.