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BROADCASTER ENVELOPE MANUAL 2026-2027

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1. INTRODUCTION

This Broadcaster Envelope Manual (the “**Manual**”) is intended to provide Canadian Broadcasters (“**Broadcaster**”) with a customized guide to the following:

- Broadcaster Envelope Program (Production) – English and French and the Broadcaster Envelope Program (Development) – English and French for Broadcasters purchasing rights in English and/or French (see the [Broadcaster Envelope Program \(Production\) – English and French](#) and the [Development and Predevelopment Funding Guidelines](#));
- Broadcaster Envelope Program – Diverse Languages for Broadcasters purchasing rights in languages other than English, French or Indigenous-Canadian languages (see the [Broadcaster Envelope Program – Diverse Languages Guidelines](#));
- Collectively, the Broadcaster Envelope Program (Production) – English and French, the Broadcaster Envelope Program (Development) – English and French, and the Broadcaster Envelope Program – Diverse Languages shall be referred to as the Broadcaster Envelopes or “**BE**”;
- The policies which govern the management and usage of Broadcaster Envelope Allocations (“**Allocation**”) (see section 3).
- Details on the methodology by which the 2027-2028 Broadcaster Envelope Allocations will be calculated (see section 4).

This Manual is intended to complement the BE Program Guidelines (the “**Guidelines**”) and [Appendix A](#) and [Appendix B](#) to the Guidelines which contain information on project funding eligibility criteria. It is strongly recommended that Broadcasters who use a Broadcaster Envelope Allocation familiarize themselves with the Guidelines. They can be found on the CMF website at cmf-fmc.ca.

*****Broadcasters are strongly encouraged to check their Broadcaster Status Reports (section 3.5) during the year, especially after the Program Deadlines and in January before the Envelope Allocation calculations begin and notify the CMF of any errors or omissions on project application information.*****

Broadcasters with Envelope Allocations, as well as everyone on the CMF mailing list, will be notified by email if updates are made during the fiscal year.

This Manual is provided for informational purposes only. In all questions of interpretation of this Manual, the CMF’s interpretation is final. The determination of the amount of each Broadcaster’s Envelope Allocation in each fiscal year is made by the CMF alone and is final.

Terminology used but not defined in this Manual shall have the meaning as defined in the Guidelines.

1.1 SUMMARY OF CHANGES

Below is a list of changes to the BE system which have been incorporated into this document and in the Guidelines and Business Policies:

1. The Weights for the Historic Performance – Production (French only), Diverse Community (Ownership) Production Licences, Diverse Community (Key Personnel) Production Licences, and International Participation (French only) Performance Factors have changed for the 2027-2028 calculation of Broadcaster Envelope allocations (see section 4.4.1).

| | ENGLISH | | FRENCH | |
|--|-----------|-----------|-----------|-----------|
| | 2026-2027 | 2027-2028 | 2026-2027 | 2027-2028 |
| HISTORIC PERFORMANCE - PRODUCTION | 0% | 0% | 10% | 15% |
| DIVERSE COMMUNITY (OWNERSHIP) PRODUCTION LICENCES | 15% | 20% | 10% | 15% |
| DIVERSE COMMUNITY (KEY PERSONNEL) PRODUCTION LICENCES | 5% | 0% | 5% | 0% |
| INTERNATIONAL PARTICIPATION | 5% | 5% | 5% | 0% |

2. The Gender Balance Requirement of directing at least 50% of the BE Allocations to Projects where 40% of Key Personnel positions are held by women has been removed.
3. Any 2027-2028 BE Allocation exceeding 37% of the overall Envelope budget in each language market will be capped at 37%. Any overage will be redistributed proportionally to other Broadcasters earning BE Allocations in the same language market.
4. Factors and Weights for the Diverse Languages Envelopes have changed for the 2027-2028 calculation of Broadcaster Envelope Allocations (see section 4.3.2).

| | 2026-2027 | 2027-2028 |
|--|-----------|-----------|
| HISTORIC PERFORMANCE | 80% | 80% |
| DIVERSE COMMUNITY (OWNERSHIP) PRODUCTION LICENCES | 0% | 10% |
| GENDER BALANCE (OWNERSHIP) PRODUCTION LICENCES | 0% | 10% |
| DIVERSE COMMUNITY (KEY PERSONNEL) PRODUCTION LICENCES | 10% | 0% |
| GENDER BALANCE (KEY PERSONNEL) PRODUCTION LICENCES | 10% | 0% |
| TOTAL | 100% | 100% |

5. The CMF is introducing a new section to its Canadian Broadcaster Business Policy (found in Chapter 8 in [Appendix B](#)), entitled “Broadcaster Audit”. This section enables the CMF, if necessary, to pause all of a Canadian Broadcaster’s CMF activity in order to investigate the Broadcaster’s connection to Projects and Applicants that continually fail to respect the CMF’s policies, requirements and standards.

2. BROADCASTER ENVELOPE OVERVIEW

2.1 BROADCASTER ENVELOPE BACKGROUND

The Broadcaster Envelope (“BE”) system is designed to provide funding predictability to both the Broadcaster and production communities by allocating funds to Broadcasters at the beginning of each fiscal year based on selected performance criteria. Broadcasters can then choose which of their licensed projects will be submitted for funding approval, bringing the decision-making process as close as possible to market forces.

2.2 KEY TERMS

2.2.1 Broadcaster

The definition of Broadcaster can be found in the CMF Guidelines [Appendix A](#), under Canadian Broadcaster.

It is the responsibility of Broadcasters to maintain strong channels of communication with CMF funding applicants (“**Applicant**”) that develop or produce those projects to which they have committed BE Allocations, and to follow up with them regarding the status of those projects in relation to CMF deadlines and eligibility reviews.

It is the responsibility of the Broadcaster to provide the applicable documentation required for Applicants to appropriately complete funding applications and it is the responsibility of the Broadcaster to subsequently fulfill all its CMF project development and licence fee obligations.

The Broadcaster may not enter into any oral or written agreement or “side deal” that conflicts with any of the provisions of this Manual or the CMF Guidelines. If a Broadcaster is found to be in violation of this provision, they will be subject to the Broadcaster Envelope Penalties for Non-compliance outlined in section 3.4 below.

The Broadcaster is also responsible for reviewing the Broadcaster Status Report of current applications (section 3.5) on an ongoing basis. The Broadcaster is also responsible for respecting all deadlines as stated within the Manual and in CMF communications.

2.2.1.1 Communications with Broadcasters and the CMF Website

The CMF maintains a list of all Broadcasters with BE Allocations and their associated contacts. When calculation process documents are updated each year, or when significant BE policy clarifications are made, the CMF emails everyone on its BE contact list with this information. Additionally, the CMF posts all such materials on its website, as well as BE Allocation results and regular updates on projects accepted for funding.

Broadcasters are encouraged to notify the CMF of changes to their contact information, and to visit cmf-fmc.ca at regular intervals to ensure that they have not missed important notifications or correspondence.

2.2.1.2 Broadcast Ownership Groups

Broadcasters affiliated by ownership to a parent company shall be allotted an Allocation (see section 2.2.2) as a group to that parent company (and by language, if applicable). If an eligible service affiliated to the group seeks to participate in the BE Program, such service shall use the group’s Allocation to support licensed projects. For clarity, this requirement applies to parent companies that operate both a Broadcaster and a BDU. Broadcasters that are independent of a group (e.g., TVO or Télé Québec) receive an individual BE Allocation.

Where a Broadcaster’s ownership is shared by more than one ownership group, the CMF will review a signed letter from all relevant parties concerned and make any exceptions to its ownership group allocation policy on a case-by-case basis, in its sole discretion, advising the CMF of the appropriate ownership group designation for Allocation management purposes.

2.2.1.2.1 Change of Broadcaster Ownership

Where the ownership of an individual service changes and the change is approved by the CRTC, the parties involved must notify the CMF of the change and direct the CMF to effect this change to the applicable BE Allocations. The notification and direction must be in writing and signed by both parties. It should include details as to the transfer of licences for CMF-funded projects so that the CMF can properly assign BE Allocation calculation credit. Absent such notification and direction, the CMF will not be responsible for any changes to the affected BE Allocations.

2.2.2 Broadcaster Envelope Allocation

A BE Allocation is an amount of CMF funding made available to a Broadcaster to commit to an Eligible Project (as defined in the applicable Guidelines). The amount of funds allocated to each Broadcaster is calculated annually based on performance factors (“**Performance Factors**”). Any overage will be redistributed proportionally to other Broadcasters earning BE Allocations in the same language market. Once the calculations are complete, each Broadcaster is notified of its results.

At the beginning of the CMF fiscal year, Broadcasters receive an Allocation letter outlining the amount of funding that has been made available to them.

BE Allocations must be committed to Eligible Projects within the same fiscal year they are allocated to Broadcasters. Allocations that remain uncommitted by the published deadline are placed in the CMF’s reserve fund.

Broadcasters that do not receive a BE Allocation may use the Alternative Access option (see section 3.2). BE Allocations may be committed to Eligible Projects in any eligible CMF genre.

As BE Allocations are distributed by language, they may only be used if a Broadcaster has purchased the rights to that project in that same language. Credit for BE Allocation calculations is restricted to the language rights obtained through the Broadcaster’s Eligible Licence Fee. If both English and French rights are taken, the Canadian Broadcaster must specify to the CMF the licence fee paid for each language right acquired.

The CMF calculates BE Allocations each fiscal year to account for changes in Broadcaster performance within the specific Performance Factors. This also gives the CMF an opportunity to modify the nature of the Performance Factors used in BE Allocation calculations (as well as their relative weight, if necessary) to ensure the system remains in harmony with the CMF’s mandate and objectives.

It is important to note that BE Allocations are not paid to Broadcasters. Rather, these funds are committed to Eligible Projects by Broadcasters through their BE Allocation, and any funds paid out by the CMF are paid directly to the applicable production company of an Eligible Project (the Applicant).

The CMF publishes lists of Broadcasters that have received BE Allocations in the current year. These lists can be found at the CMF website under the [“Broadcaster Envelope Administration”](#) section.

2.2.3 Broadcaster Envelope Program Applicant

Once an Applicant has secured a commitment from a Broadcaster for a BE Allocation, it is the responsibility of the Applicant to submit an application to the CMF with all required documentation for funding application purposes ahead of appropriate deadlines. The Applicant must also complete and deliver the project in accordance with the applicable set of CMF Program Guidelines.

The CMF will initially communicate with the Applicant (not the Broadcaster) in matters relating to a project’s application.

2.2.4 CMF Program Administrator

The CMF has entered into Services Agreements with the CMF Program Administrators at Telefilm Canada (“**CMFPA**”) and at the Indigenous Screen Office (“**ISO**”). As per this arrangement, the CMFPA and ISO handle almost all activity related to the management and administration of project funding applications on behalf of the CMF, depending on the Program. The administration of BE Allocations, however, is managed jointly by CMF and CMFPA staff.

CMF staff manage all aspects of the BE Allocation calculation and allocation process. CMF staff are the primary point of contact where BE policy issues or questions arise.

Once BE Allocations are calculated and distributed, CMFPA staff manage BE Allocation accounts and ensure funds are released from BE Allocations to Applicants in accordance with the CMF’s policies.

3. 2026-2027 BROADCASTER ENVELOPE ALLOCATION MANAGEMENT POLICIES

The CMF has a number of policies governing the manner in which Broadcasters must manage the funds in their BE Allocations.

3.1 BROADCASTER ENVELOPE ALLOCATION AGREEMENT LETTERS

At the beginning of the fiscal year, Broadcasters with designated Allocations receive an Allocation agreement letter outlining how much funding has been made available to them. The agreement letter includes terms and conditions by which the Broadcaster is permitted to use its BE Allocation, as defined below. Broadcasters using the Alternative Access option do not receive an Allocation agreement but must abide by the terms and conditions as described below in this BE Manual and as applicable.

All Allocations are conditional upon the CMF receiving resources at the budget level determined for the fiscal year. No CMF funds will be payable from a designated BE Allocation until the associated agreement letter has been fully executed.

3.2 ALTERNATIVE ACCESS ALLOCATIONS USAGE

A Broadcaster without a Broadcaster Envelope (BE) Allocation may access CMF BE funding through the Alternative Access portion of the BE system.

Eligible Broadcasters may utilize Alternative Access on a first-come, first-served basis, by providing an Eligible Licence Fee and a Broadcaster Agreement Form with a BE commitment to an Eligible Project, until the entire Alternative Access budget is spent (for definitions, see the applicable Guidelines on cmf-fmc.ca). The Alternative Access budgets for 2026-2027 are \$1,500,000 for English Broadcasters, \$500,000 for French Broadcasters, and \$220,000 for Diverse Languages Broadcasters.

In the English and French Envelopes, the Maximum Contribution from Alternative Access is limited to \$150,000 per Broadcaster in 2026-2027. In the Diverse Languages Envelope, the Maximum Contribution from Alternative Access is limited to \$110,000 per Broadcaster in 2026-2027.

Use of the Alternative Access Allocation requires an accompanying minimum Eligible Licence or Development Fee, as applicable, of \$5,000 in the application.

3.3 BROADCASTER ENVELOPE CONTRIBUTIONS

CMF funding contributions unlocked by Broadcasters in the BE come in two (2) forms:

- for Production: licence fee top-ups and equity investments
- for Development: a repayable advance¹.

A Broadcaster can decide how much of its BE Allocation to commit to an Eligible Project, up to specified Maximum Contribution amounts delineated in the Guidelines.

An Eligible Project may receive CMF funding contributions from more than one Broadcaster's BE Allocation.

Eligible Production Projects may receive contributions from more than one language BE Allocation under certain narrow circumstances. The terms under which this is permitted are detailed in the [BE Guidelines - English and French](#) and [BE - Diverse Languages Guidelines](#).

¹ Please refer to the [Linear Content Programs - Core Development and Predevelopment Guidelines](#) for a detailed explanation of these terms and the rules governing the manner in which each amount is determined.

3.3.1 Broadcaster Agreement Form

A “**Broadcaster Agreement Form**” (“**BAF**”) is an essential document that provides authorization from a Broadcaster to an Applicant to apply to the CMF for projects with an Eligible Licence or Development Fee, as applicable. The Applicant creates the BAF in the [Dialogue](#) portal² and submits it to the Broadcaster for approval. The BAF includes the following:

- the amount of funds the Broadcaster is contributing from a BE Allocation to a given project;
- basic terms of the Licence or Development Fee, as applicable³;
- for Production, an agreement by the Broadcaster to broadcast and/or make the Eligible Project available to be viewed on an eligible service, closed captioned (if applicable), in prime time (if applicable), within eighteen (18) months of completion and delivery; and
- Acceptance of the terms of the [CMF’s Narrative Positioning Policy](#) for the given project.

In order for the licence or Development fee to be considered an Eligible Licence or Development Fee, as applicable, and thereby count towards an Eligible Project’s Eligible Market Commitment Threshold requirement, a BAF must be completed and received by the CMF. All Factor calculations, except for Audience Success – Total Hours Tuned are based on Eligible Licence or Development Fees and the activity they unlock. Therefore, a BAF must be completed by any Broadcaster who wishes to have their CMF-funded project financing activity count towards BE Allocation calculation credit. Credit for BE Allocation calculations is restricted to the language rights obtained through the Broadcaster’s Eligible Licence or Development Fee. If both English and French rights are taken, the Canadian Broadcaster must specify to the CMF the licence fee paid for each language right acquired in separate BAFs.

3.3.2 CMF Funding Application Deadlines

Application deadlines are dates by which complete applications for CMF funding must be received by the CMF. Application deadlines are imposed by the CMF to ensure that CMF funds are committed prior to fiscal year-end and that the calculation of BE Allocations for the following year may be completed in a timely manner.

Note: Project applications received after the appropriate deadline will be rejected by the CMF regardless of whether or not a Broadcaster committed BE Allocation funds to that project in a timely manner. The impact that late or rejected applications will have on the calculation of a Broadcaster’s future BE Allocation will not be a consideration for the CMF.

3.3.2.1 First Closing Date

Development Projects submitted after a given deadline (the “**First Closing Date**”) cannot apply for CMF production funding in the same CMF fiscal year that the development application was submitted.

The First Closing Date for 2026-2027 is October 18, 2026.

3.3.2.1.1 75% Spend Requirement

Broadcasters who have a total BE Production Allocation greater than \$2,500,000 are required to commit at least 75% of that BE Allocation by the First Closing Date. The exact dollar amount that affected Broadcasters are obligated to commit is specified in each appropriate Broadcaster’s BE Allocation letter.

For the purposes of measuring compliance with this policy, the CMF will not consider BE Allocation monies as having been committed until the associated project applications are received.

Any portion of the 75% amount not committed by the deadline will be removed from the Broadcaster’s BE Allocation.

² A guide to the BAF is available here: <https://cmf-fmc.ca/document/baf-user-guide/>.

³ Please refer to the [BE Program \(Production\) – English and French Guidelines](#) and [Linear Content Programs - Core Development & Predevelopment Guidelines](#) for the complete requirements of an Eligible Licence Fee or Development Fee and [Appendix B](#) for Broadcaster Business Policies.

3.3.2.1.2 First Closing Date Exemptions

A Broadcaster may apply to the CMF for a waiver of the First Closing Date in the BE Production Program, if, as a result of a significant corporate event involving the Broadcaster, the Broadcaster cannot reasonably be expected to make commitments to projects to be funded from the Broadcaster's BE Allocation that will allow a sufficient number of applications to be made to satisfy the requirements by the First Closing Date.

For clarity, the determination of whether a Broadcaster was involved in a corporate event and the number of times the Broadcaster will be allowed to claim a Closing Date Exemption, will be determined by the CMF in its sole discretion. For reference, the CMF shall determine when a corporate event has occurred by evaluating whether there has been a significant change to the corporate structure of the Broadcaster, including, but not limited to, mergers, acquisitions or other consolidation transactions.

Each application for a waiver must satisfy the following requirements:

- It must be made within a reasonable period of time before the First Closing Date in order to provide the CMF with sufficient time to consider the application before that date;
- It must describe the significant corporate event that is the basis for the application;
- It must set out the reasons the Broadcaster cannot reasonably be expected to satisfy the First Closing Date Requirements; and
- It must include a timetable for committing the remaining funds in the BE Allocation of the Broadcaster over the period from the application date to the Final Closing Date that takes into account the policy objectives that the First Closing Date Requirements were designed to achieve and a commitment from the Broadcaster to use its remaining BE Allocation in accordance with the timetable.

Decisions respecting applications for waivers of the First Closing Date requirements will be made by the CMF at its sole discretion.

3.3.2.2 Final Closing Date

The date by which all BE project applications must be received by the CMF is the "Final Closing Date". The Final Closing Date for 2026-2027 is December 8, 2026. Any funds remaining in a BE Allocation for which the CMF has not received a complete application by the Final Closing Date will be removed.

3.3.3 Small Broadcaster Exemption and Management Policies

Broadcasters that earn BE Allocations under five million dollars (\$5,000,000) or who are Educational Broadcasters⁴ are defined as "**Small Broadcasters**".

Small Broadcasters:

- Will not have a cap placed on the amount of funding that can be allotted to In-house and Broadcaster-Affiliated programming.

These Broadcasters will be required to continue to respect other rules and policies such as the Closing Date requirements and any other rules for which they are not given an explicit exemption in this section.

3.3.4 In-house and Broadcaster-Affiliated Programming

"**Broadcaster-Affiliated Programming**" refers to projects produced by a Broadcaster-affiliated production company, and which are licensed by the company's affiliated Broadcaster(s). For further details on the CMF's definition of a Broadcaster-affiliated production company, please refer to [Appendix A](#).

⁴Educational Broadcasters are entities operating under the authority of the respective Provincial Government to provide programming that is educational in nature.

“In-house Programming” refers to a project produced and owned by the Broadcaster.

Broadcasters are limited in the amount of their BE Allocation that they are permitted to commit to In-house and Broadcaster-Affiliated Programming. Broadcasters may commit up to twenty-five percent (25%) of their BE Allocations to In-house and/or Broadcaster-Affiliated Programming. Broadcasters are notified of their respective In-house and Broadcaster Affiliated Programming BE commitment allowances in their BE Allocation letter. Small Broadcasters are exempt from this limit.

3.3.5 Narrative Positioning Policy

Broadcasters agree that they will ensure compliance with the [CMF’s Narrative Positioning Policy](#) for all Eligible Projects funded from its Envelope Allocation.

3.4 BROADCASTER ENVELOPE PENALTIES FOR NON-COMPLIANCE

Should a Broadcaster fail to meet any of its obligations to Eligible Projects that it has unlocked for CMF funding in any prior fiscal year, or if the Broadcaster breaches any provision of the BE Guidelines, the CMF reserves the right to make adjustments to the amount of a Broadcaster’s BE Allocation in a subsequent fiscal year. Please note that an adjustment to one Broadcaster’s BE Allocation may not result in an increase to other Broadcasters’ BE Allocations.

Furthermore, if after making reasonable enquiries the CMF finds that a Broadcaster is practicing unfair dealings with an Applicant, the CMF reserves the right to impose (in its sole discretion) a penalty on such Broadcaster’s use of its BE Allocation, (including but not limited to a reduction in the amount of, or suspension of use of or access to the Allocation).

Additionally, beginning in 2026-2027, the CMF is introducing a new section to its Canadian Broadcaster Business Policy (found in Chapter 8 in [Appendix B](#)), entitled “Broadcaster Audit”. This section enables the CMF, if necessary, to pause all of a Canadian Broadcaster’s CMF activity in order to investigate the Broadcaster’s connection to Projects and Applicants that continually fail to respect the CMF’s policies, requirements and standards.

3.4.1 Post-Allocation Withdrawal Penalty

In the event a Broadcaster withdraws an Eligible Licence Fee payment to a project that generated credit and an Allocation amount after such Broadcaster’s BE Allocation calculations have been completed, that Broadcaster’s BE Allocation will be adjusted by the CMF according to one hundred percent (100%) of the value of the credit. If insufficient funds remain in the Broadcaster’s Allocation for the full adjustment to be made, the adjustment will be made to its next possible BE Allocation.

3.5 BROADCASTER STATUS REPORTS

Broadcaster Status Reports are available on demand through the [Dialogue](#) portal⁵. The purpose of a Report is to inform Broadcasters of those project applications that have been received to date by the CMF to which the Broadcaster has committed BE Allocation funds or to which the Broadcaster has provided Eligible Licence or Development Fees to earn credit in BE Allocation calculations. The Report lists summary and project-by-project information including the following:

- summaries of usage by genre;
- Project status (Recommended, Signed, etc.);
- Eligible Licence or Development Fee (paid by that particular Broadcaster);
- Broadcaster’s contribution from their BE Allocation;
- commitments from other CMF Linear Content Programs;
- eligibility for various Performance Factors;
- Project budget; and
- In-house and Broadcaster-Affiliated Programming designation.

Broadcaster Status Reports allow a Broadcaster to stay abreast of their BE Allocation deadline obligations, as well as monitor the relevant statistics that the CMF has recorded with respect to the projects supported by that Broadcaster via their

⁵Contact CMF for access to the portal. After CMF approval, access [Dialogue](#).

BE Allocation. The Status Reports provide the Broadcaster with information on the Performance Factors in relation to individual project applications.

Broadcasters are strongly encouraged to notify the CMF of any discrepancies or errors contained within these reports as soon as possible, especially before the Envelope Allocation calculations begin in February. There will be a deadline in early February for changes to applications in Dialogue. After this early February deadline, only information that is already present in the application form will be considered and the CMF will not accept any new information.

3.6 REUSING REPAID DEVELOPMENT ADVANCES

When a development project subsequently applies for, and receives CMF production financing, the Applicant must repay the CMF's development advance.

If a development advance is returned to the CMF before the Final Closing Date in the same fiscal year in which the project initially received development financing, the amount of that development advance can then be re-allocated to a different project until the Final Closing Date.

For example:

Project "x" is allotted a \$1,000 development advance from a Broadcaster's BE Allocation in April 2026 (2026-2027 fiscal year). When that \$1,000 advance is paid back to the CMF in September 2026, it is returned to the Broadcaster's BE Allocation and can then be re-allocated to a different project (which, must apply before the Final Closing Date).

3.7 REALLOCATING BE ALLOCATION FUNDS DUE TO PROJECT INELIGIBILITY

On rare occasions, a project to which a Broadcaster has committed BE Allocation funds will be deemed ineligible for CMF funding or the funding amount may be reduced. In these cases, the committed BE Allocation funds are returned to the Broadcaster's Allocation. When applications for projects are rejected prior to the Final Closing Date, the Broadcaster may re-commit those funds to new or existing projects. If funds are returned after the Final Closing Date but prior to the end of the fiscal year, the affected Broadcaster may be permitted to reallocate the associated BE Allocation funds to other existing CMF projects. Such reallocations are addressed on a case-by-case basis and at the CMF's discretion.

Reallocations of this nature may be subject to In-house and Broadcaster-Affiliated Programming spending capacity rules as deemed appropriate.

Reallocations are not permitted for funds committed to applications deemed incomplete after the Final Closing Date.

3.8 2026-2027 BE CALENDAR

This calendar is a general guide only and is subject to change. Please refer to cmf-fmc.ca for the most up-to-date information. Details for Performance Factors mentioned below can be found in section 4.

| | |
|-------------------------|---|
| April 2026 | <p>Mid-April: BE Allocations published on CMF website.</p> <p>Mid-April: Opening date for BE applications.</p> |
| April – February | <p>Broadcaster status reports should be reviewed by Broadcasters. Broadcasters are encouraged to notify the CMF of any discrepancies or errors as soon as possible.</p> |
| October | <p>October 18th: First Closing Date for BE applications, i.e., 75% commitment deadline for Broadcasters with BE Allocations greater than \$2.5 million.</p> <p>CMF notifies Broadcasters of specific Audience Success submission requirements.</p> |
| December | <p>Deadline for Broadcasters to send Audience Success submissions to CMF.</p> <p>December 8th: Final Closing Date for BE applications.</p> |
| January 2027 | <p>CMF notifies Broadcasters of project statistics to be used in Historic Performance calculations for Broadcaster feedback and confirmation.</p> <p>Broadcasters are strongly encouraged to review the Broadcaster Status Reports in early January and alert CMF if there are any errors or questions related to project application information used to calculate Broadcaster Envelope Allocations</p> |
| February | <p>Early February: Deadline for modifications to project application information or BAFs.</p> <p>CMF reviews Broadcaster Audience Success submissions and notifies individual Broadcasters of final numbers.</p> <p>Last week of February: Broadcaster status report detailing all funding year activity issued to each Broadcaster for confirmation and identification of errors. Changes to applications in Dialogue will not be allowed at this point.</p> |
| March | <p>CMF Board approves the Program budget for the upcoming funding year.</p> <p>BE calculations are completed and cross-checked.</p> |
| April | <p>1st week: BE Allocation agreement letters issued to Broadcasters. A new BE Manual is published.</p> |

4. CALCULATION OF 2027-2028 BROADCASTER ENVELOPE ALLOCATIONS

4.1 TYPES OF ENVELOPES AND ALLOCATIONS

Broadcaster Envelope Allocations will be calculated for English, French, and Diverse Languages Broadcasters.

- For English and French Broadcasters, BE Allocations will be calculated from the English and French Language Performance Factors.
- For Diverse Languages Broadcasters, BE Allocations will be calculated from the Diverse Languages Performance Factors.

4.2 ENVELOPE BUDGETS

The amount of funding budgeted for the BE Program is determined by the CMF Board of Directors each fiscal year. This amount is divided into “**Envelopes**” according to language and genre.

For the 2027-2028 Envelope Allocations, the English and French Envelopes are broken down as follows:

| | ENGLISH ENVELOPES | FRENCH ENVELOPES |
|---------------------------------------|-------------------|------------------|
| DRAMA | 56% | 51% |
| DOCUMENTARY SERIES⁶ | 13% | 13% |
| DOCUMENTARY ONE-OFFS | 6% | 7% |
| CHILDREN AND YOUTH | 22% | 22% |
| VARIETY & PERFORMING ARTS | 3% | 7% |

In the English and French Envelopes, the Documentary Envelope is divided into separate One-off and Series Envelopes. This division is made to provide an incentive to Broadcasters that unlock funding for One-off Documentaries by setting aside an Envelope shared by these Broadcasters alone.

For the 2027-2028 Envelope Allocations, there are no separate genre Envelopes for the Diverse Languages Envelope.

There is a minimum amount a Broadcaster must earn to receive a BE Allocation. Broadcasters earning an Allocation of less than the Minimum Allocation must use the Alternative Access option (outlined in section 3.2 above). The amount designated for Alternative Access is taken from the language Envelopes before allocation to Broadcasters through the Performance Factors.

4.3 PERFORMANCE FACTORS

Broadcasters compete against one another for the available funding in each Envelope according to different categories (“**Performance Factors**”) determined by the CMF’s Board of Directors. Broadcasters are automatically included in BE Allocation calculations if the Broadcaster has earned credit through the Performance Factors.

For Performance Factors, credit for BE Allocation calculations in each Envelope is restricted to the language rights obtained through the Broadcaster’s Eligible Licence Fee or Development Fee (as applicable).

While the CMF takes efforts to provide Applicants and Broadcasters with certainty around its defined terms, the CMF shall make the final determination on eligibility for Performance Factors to ensure the spirit and intent of its policies is upheld.

⁶Documentary Series consist of more than one episode. Documentary One-offs consist of one episode only.

Applicants and Broadcasters are encouraged to come forward ahead of time and have a discussion with the CMF on their specific circumstances.

For Performance Factors that rely on 2026-2027 Eligible Licence Fees, there will be a deadline in early February for changes to applications in Dialogue relating to these Factors. After this early February deadline, only information that is already present in the application form will be considered and the CMF will not accept any new information.

Any deadlines set by CMF staff relating to the calculation of the Performance Factors will be final.

It is important to note that from year to year, the CMF may eliminate or add a new Performance Factor for a given fiscal year's Envelope calculations based on the changing nature of the CMF's mandate and objectives.

4.3.1 ENGLISH AND FRENCH ENVELOPES – PERFORMANCE FACTORS

4.3.1.1 Audience Success – Total Hours Tuned Factor

Audience Success recognizes the ability of Broadcasters to deliver CMF-supported Projects to audiences. Audience Success is measured by the Audience Success – Total Hours Tuned (“**AS-THT**”) Factor.

In order for a Broadcaster to generate any credit for hours tuned, its viewing must be measured and reported by Numeris. The CMF does not take responsibility for the nature or scope of a Broadcaster's audience measurement.

For this Factor, credit is earned from Projects broadcast in the 2025-2026 broadcast year for the 2027-2028 Envelope Allocation calculations.

4.3.1.1.1 Audience Success Submissions

AS-THT credit includes viewing from anywhere in Canada (Total Canada), and across the full 24-hour day (Monday to Sunday, from 2 a.m. to 2 a.m.).

AS-THT credit is based on the “viewers 2+” age demographic for all CMF genres.

AS-THT data only includes viewing to CMF-supported Projects.

A Broadcaster may receive AS-THT credit for any English or French-language (including subtitled) Project supported by the CMF within the past five (5) years. This includes CMF-supported Projects with licence fees that were not part of the original financial structure of the production (“**Acquired Projects**”). A list will be published of eligible CMF-supported Projects.

The CMF requires that Broadcasters submit their own AS-THT calculations for CMF review and inclusion in Audience Success calculations. Full details of the CMF's submission requirements, as well as related FAQs, are available on CMF's website under “[Broadcaster Envelope Administration](#)”. This material is updated annually and emailed to Broadcasters on the CMF mailing list.

The CMF's review of AS-THT submissions from Broadcasters includes verification that every Project title included in any submission is CMF supported. Additionally, the associated CMF genre for every title is verified.

Hours Tuned formulas are checked, as are totals. Individual telecast data is spot checked against published Numeris audience data.

For further scrutiny and transparency, the CMF places all AS-THT submissions on a secure part of its website for other participating Broadcasters to verify if they choose.

Note: Restrictions in Numeris subscriber agreements preclude the CMF from making this information available to non-subscribers of Numeris.

4.3.1.1.2. Genre Flexibility for Acquired Projects

Broadcasters are given a certain amount of genre flexibility with regards to AS-THT submissions. Specifically, Broadcasters are permitted to claim AS-THT credit for an Acquired Project in a genre other than the one under which the Project was originally funded, as long as the request meets the following criteria:

- Due to the nature of the content of the Project, the genre is ambiguous. For example, family Projects could potentially qualify for CMF funding under Children and Youth genre requirements or Drama genre requirements;
- The request for genre flexibility in Audience Success calculations is supported by the Broadcaster's conditions of licence (and thus the Broadcaster's programming strategy); and
- CMF staff is satisfied that the request for genre flexibility in Audience Success calculations (on a case-by-case basis) serves the overriding objectives of the CMF.

4.3.1.2 Regional Production Licences Factor⁷

When calculating this Performance Factor, a Broadcaster's credit is determined by the total dollar amount of Eligible Licence Fees committed to "**Regional Production Projects**" (as defined in the Guidelines [Appendix A](#)). The "**Regional Production Licence**" credit for each Broadcaster is equal to the amount of Eligible Licence Fees they contributed, regardless of the number of Broadcasters involved or if they contributed funds from an Envelope Allocation.

For this Factor, credit is earned from Eligible Projects funded in 2026-2027 for the 2027-2028 Envelope Allocation calculations. Applicants must indicate eligibility for this Factor in the application form and, if they answer "Yes", the CMF analyst validates their answer against the qualifying criteria noted in [Appendix A](#).⁸

4.3.1.2.1 Linguistic Market Restriction

Broadcasters may only earn Regional Production Licences credit for projects whose original language of production (as determined by the CMF) matches their own. For example, a French Broadcaster may only earn credit in the Regional Factor from their Eligible Licence Fees to projects whose original language of production is French.

4.3.1.3 Diverse Community (Ownership) Production Licences Factor⁹

A "**Diverse Community**" and "**Diverse Community (Ownership) Project**" are defined in [Appendix A](#) of the 2026-2027 Guidelines. Eligible Licence Fees from 2026-2027 Eligible Projects in all Linear Production Programs are eligible to count as credit in this Factor.

For Broadcasters to receive credit via the Diverse Community (Ownership) Production Licences Factor, individual shareholders and members of the board of directors must answer the questionnaire in PERSONA-ID and Applicants of eligible applications must make a declaration of meeting the criteria of a Diverse Community (Ownership) Project in the funding application form and update the Corporate Information in Dialogue. Applicants must indicate eligibility for this Factor in the application form and, if they answer "Yes", the CMF analyst validates their answer against the qualifying criteria noted in [Appendix A](#).¹⁰

⁷While In-house and Broadcaster-Affiliated productions are eligible for credit in the Regional Production Licences Factor, due to the disparity between the Broadcaster's typical financial contribution to such a project and the licences provided to typical independent productions, the CMF places a limit on the amount of credit an In-house or Broadcaster-Affiliated production may earn. This cap will be determined each year based on the highest single Eligible Licence Fee (expressed as a percentage) provided to an independent production in the year prior to the source year of credit, by original language of production and genre category.

⁸For Projects that *only* receive funding from the Indigenous Production Program, the CMF will only rely on information submitted to the Indigenous Screen Office in the calculation of this Performance Factor.

⁹The same In-house/Broadcaster affiliated caps applied to the Regional Production Licences Factor outlined in note 7 applies to the Diverse Community (Ownership) Production Licences Factor.

¹⁰ For Projects that *only* receive funding from the Indigenous Production Program, the CMF will only rely on information submitted to the Indigenous Screen Office in the calculation of this Performance Factor.

4.3.1.4 Gender Balance (Ownership) Production Licences Factor¹¹

“**Gender Balance (Ownership) Project**” is defined in [Appendix A](#) of the 2026-2027 Guidelines. Eligible Licence Fees from 2026-2027 Eligible Projects in all Linear Production Programs are eligible to count as credit in this Factor.

For Broadcasters to receive credit via the Gender Balance (Ownership) Production Licences Factor, individual shareholders and members of the board of directors must answer the questionnaire in PERSONA-ID and Applicants of eligible applications must make a declaration of meeting the criteria of a Gender Balance (Ownership) Project in the funding application form and update the Corporate Information in Dialogue. Applicants must indicate eligibility for this Factor in the application form and, if they answer “Yes”, the CMF analyst validates their answer against the qualifying criteria noted in [Appendix A](#).¹²

4.3.1.5 Historic Performance - Production Factor

The “**Historic Performance - Production Factor**” refers to the amount of CMF production funding historically accessed or unlocked as a result of a Broadcaster’s licensing of projects. A Broadcaster’s credit is determined by the cumulative amount of CMF funds unlocked by that Broadcaster’s Eligible Licence Fees over a three (3) year period.¹³

As the Historic Performance Factor is evaluated over a multi-year period, it helps modulate the variations in Envelope Allocations from one year to the next.

For this Factor, credit is earned from projects funded in 2023-2024, 2024-2025, and 2025-2026 for the 2027-2028 Envelope Allocation calculations.

Historic Performance credit is derived from all CMF Linear Content (or Convergent, as applicable) Production funding.

If more than one Broadcaster contributes an Eligible Licence Fee for an Eligible Project in production, the Historic Performance credit is allocated *pro rata* according to each Broadcaster’s share of the total Eligible Licence Fees. It is important to note that all Broadcasters contributing an Eligible Licence Fee to an Eligible Project receive Historic Performance credit for the CMF funds unlocked, regardless of whether or not they contributed CMF monies from a BE. In this way, Broadcasters without Envelope Allocations may use the Historic Performance Factor to enter the Envelope system.

| Example of pro-ration | Eligible Licence Fee | % Share of Eligible Licence Fees | CMF Funding Contribution | Historic Performance Credit |
|-----------------------|----------------------|----------------------------------|--------------------------|-----------------------------|
| BROADCASTER A | \$400K | 80% | \$100K | \$300K x 80% = \$240K |
| BROADCASTER B | \$50K | 10% | \$200K | \$300K x 10% = \$30K |
| BROADCASTER C | \$50K | 10% | \$0 | \$300K x 10% = \$30K |
| TOTAL | \$500K | 100% | \$300K | \$300K |

4.3.1.6 Historic Performance - Development Factor

The “**Historic Performance - Development Factor**” refers to the amount of CMF funding historically accessed or unlocked as a result of a Broadcaster’s licensing of BE Program – Development and Development Envelope Program projects. A

¹¹The same In-house/Broadcaster Affiliated caps applied to the Regional Production Licences Factor outlined in note 7 applies to the Gender Balance (Ownership) Production Licences Factor.

¹² For Projects that *only* receive funding from the Indigenous Production Program, the CMF will only rely on information submitted to the Indigenous Screen Office in the calculation of this Performance Factor.

¹³ For calculation purposes, an “**Eligible Licence Fee**” is one that meets the criteria set forth in the Guidelines and is accompanied by a signed Broadcaster Agreement Form (“**BAF**”) that is submitted with the application.

Broadcaster's credit is determined by the cumulative amount of CMF funds unlocked by that Broadcaster's Eligible Development Fees over a three (3) year period.¹⁴

As the Historic Performance - Development Factor is evaluated over a multi-year period, it helps modulate the variations in Envelope Allocations from one year to the next.

For this Factor, credit is earned from projects funded in 2023-2024, 2024-2025, and 2025-2026 for the 2027-2028 Envelope Allocation calculations.

Historic Performance - Development credit is derived from BE Program - Development and Development Envelope Program advances.

If more than one Broadcaster contributes an Eligible Development Fee for an eligible Development Project, the Historic Performance - Development credit is allocated pro rata according to each Broadcaster's share of the total Eligible Development Fees. It is important to note that all Broadcasters contributing an Eligible Development Fee to an Eligible Project receive Historic Performance - Development credit for the CMF funds unlocked, regardless of whether or not they contributed from a BE Allocation.

4.3.1.7 International Participation Factor

An “**International Participation Project**” is defined in [Appendix A](#) of the 2026-2027 Guidelines. The International Participation Factor provides an incentive to Broadcasters to choose projects with a commitment or confirmed agreement to exploit the project outside of Canada. Envelope credit will be based on the share of the number of 2026-2027 Eligible Projects with (i) a foreign pre-sale or (reasonable and fair-market value) distribution advance¹⁵ taking exploitation rights for territories outside of Canada in the Project's financing, or (ii) that are Official Audiovisual Treaty Co-Productions. A Broadcaster can receive credit if they have committed an Eligible Licence Fee to the Project. Projects with Eligible Licence Fees from more than one Broadcaster will be counted once for each Broadcaster. This Factor is only applicable to English-language Broadcasters in 2026-2027.

The relevant information used to determine this credit will be the following:

- i. Distribution advances for international territories or foreign pre-sale licence fees; and/or
- ii. International Audiovisual Treaty Co-productions with a preliminary recommendation from Telefilm Canada's Business Affairs and Coproduction Department.

Applicants must indicate eligibility for this Factor in the application form and, if they answer “Yes”, the CMF analyst validates their answer against the qualifying criteria noted in [Appendix A](#).¹⁶

4.3.2 Diverse Languages Envelopes – Performance Factors

For calculation purposes, an “**Eligible Licence Fee**” is one that meets the criteria set forth in the Guidelines and is accompanied by a signed Broadcaster Agreement Form (“**BAF**”) that is submitted with the application.

4.3.2.1 Historic Performance Factor

The “**Historic Performance Factor**” refers to the amount of CMF production funding historically accessed or unlocked as a result of a Broadcaster's licensing of Linear Content Production projects funded through Diverse Languages Envelope allocations or Diverse Languages Program commitments. A Broadcaster's credit is determined by the cumulative amount of Diverse Languages funds unlocked by that Broadcaster's Eligible Licence Fees over a three (3) year period.

¹⁴ For calculation purposes, an “Eligible Development Fee” is one that meets the criteria set forth in the Guidelines and is accompanied by a signed Broadcaster Agreement Form (“**BAF**”) that is submitted with the application.

¹⁵ Distribution advances must reflect reasonable and fair-market amounts that are generally and customarily followed by distributors of linear content in the audiovisual industry based on a range of factors including, but not limited to, the genre and budget of the project, the exploitation rights being licensed or acquired, the territories being taken and the duration of the term.

¹⁶ For Projects that *only* receive funding from the Indigenous Production Program, the CMF will only rely on information submitted to the Indigenous Screen Office in the calculation of this Performance Factor.

As the Historic Performance Factor is evaluated over a multi-year period, it helps modulate the variations in Envelope Allocations from one year to the next.

For this Factor, credit is earned from projects funded in 2023-2024, 2024-2025, and 2025-2026 for the 2027-2028 Envelope Allocation calculations.

If more than one Broadcaster contributes an Eligible Licence Fee for a Diverse Languages-funded Project, the Historic Performance Factor credit is allocated pro rata according to each Broadcaster's share of the total Eligible Licence Fees. It is important to note that all Broadcasters contributing an Eligible Licence Fee to a Linear Content Production Project receive Historic Performance credit for the CMF funds unlocked, regardless of whether or not they contributed from a BE Allocation.

4.3.2.2 Diverse Community (Ownership) Production Licences Factor

A "Diverse Community" and "Diverse Community (Ownership) Project" are defined in [Appendix A](#) of the 2026-2027 Guidelines. Eligible Licence Fees from 2026-2027 Eligible Projects funded through Diverse Languages Envelope Allocations are eligible to count as credit in this Factor.

For Broadcasters to receive credit via the Diverse Community (Ownership) Production Licences Factor, individual shareholders and members of the board of directors must answer the questionnaire in PERSONA-ID and Applicants of eligible applications must make a declaration of meeting the criteria of a Diverse Community (Ownership) Project in the funding application form and update the Corporate Information in Dialogue. Applicants must indicate eligibility for this Factor in the application form and, if they answer "Yes", the CMF analyst validates their answer against the qualifying criteria noted in [Appendix A](#).

4.3.2.3 Gender Balance (Ownership) Production Licences Factor

"Gender Balance (Ownership) Project" is defined in [Appendix A](#) of the 2026-2027 Guidelines. Eligible Licence Fees from 2026-2027 Eligible Projects funded through Diverse Languages Envelope allocations are eligible to count as credit in this Factor.

For Broadcasters to receive credit via the Gender Balance (Ownership) Production Licences Factor, individual shareholders and members of the board of directors must answer the questionnaire in PERSONA-ID and Applicants of eligible applications must make a declaration of meeting the criteria of a Gender Balance (Ownership) Project in the funding application form and update the Corporate Information in Dialogue. Applicants must indicate eligibility for this Factor in the application form and, if they answer "Yes", the CMF analyst validates their answer against the qualifying criteria noted in [Appendix A](#).

4.4 PERFORMANCE FACTOR WEIGHTS ARE SET

Each Performance Factor is then designated a specific weight which represents the amount of funding attributed to a Performance Factor in a given Envelope.

For example,

- if the budget for the English Drama Envelope is \$50M and the AS-THT Performance Factor is weighted at 30%, then that would translate to an AS-THT Performance Factor value of \$15M in that specific Envelope;
- if the budget for the Diverse Languages Envelope is \$3,600,000 and the Historic Performance Factor is weighted at 80%, then that would translate to an Historic Performance Factor value of \$2,880,000 in the Envelope.

4.4.1 English and French Envelopes – Factor Weights

For the 2027-2028 Broadcaster Envelope calculations, Factor Weights will be as follows for all genres:

| | ENGLISH | FRENCH |
|---|---------|--------|
| AUDIENCE SUCCESS – TOTAL HOURS TUNED | 35% | 40% |
| HISTORIC PERFORMANCE - PRODUCTION | 0% | 15% |
| REGIONAL PRODUCTION LICENCES | 25% | 15% |
| DIVERSE COMMUNITY (OWNERSHIP) PRODUCTION LICENCES | 20% | 15% |
| GENDER BALANCE (OWNERSHIP) PRODUCTION LICENCES | 5% | 5% |
| HISTORIC PERFORMANCE - DEVELOPMENT | 10% | 10% |
| INTERNATIONAL PARTICIPATION | 5% | 0% |
| TOTAL | 100% | 100% |

4.4.2 Diverse Languages Envelopes – Factor Weights

For the 2027-2028 Broadcaster Envelope calculations, Factor Weights will be as follows:

| | |
|---|------|
| HISTORIC PERFORMANCE | 80% |
| DIVERSE COMMUNITY (OWNERSHIP) PRODUCTION LICENCES | 10% |
| GENDER BALANCE (OWNERSHIP) PRODUCTION LICENCES | 10% |
| TOTAL | 100% |

4.5 INTERPRETING BROADCASTER ENVELOPE ALLOCATION RESULTS

4.5.1 Each Broadcaster Competes for Shares of Each Envelope

Broadcaster statistics are compiled and evaluated in each of the Performance Factors (e.g., Historic Performance, etc.) within each Envelope’s respective budget (e.g., English Drama, French Documentary, Diverse Languages etc.).

Based on each Broadcaster’s performance relative to one another in this process, the CMF assigns credit shares earned by the Broadcaster in each of the Envelopes. A Broadcaster’s allocated share of funding for each Envelope equals that Broadcaster’s Envelope Allocation.

For example, in the English Drama Envelope, all of a given Broadcaster’s AS-THT statistics are measured against other Broadcasters’ AS-THT statistics. These statistics determine the share of available funding allocated to each Broadcaster for the AS-THT Factor within the English Drama Envelope.

So if the English Drama Envelope had a \$50,000,000 budget:

| FACTOR | WEIGHT | \$ VALUE OF FACTOR | CREDIT SHARE EARNED BY BROADCASTER X* | BROADCASTER X'S ENVELOPE ALLOCATION |
|--|--------|--------------------|---------------------------------------|-------------------------------------|
| AUDIENCE SUCCESS - THT | 35% | \$17,500,000 | 5% | \$875,000 |
| REGIONAL PRODUCTION LICENCES | 25% | \$12,500,000 | 9% | \$1,125,000 |
| DIVERSE COMMUNITY OWNERSHIP PRODUCTION LICENCES | 20% | \$10,000,000 | 6% | \$600,000 |
| DEVELOPMENT HISTORIC PERFORMANCE | 10% | \$5,000,000 | 20% | \$1,000,000 |
| GENDER BALANCE (OWNERSHIP) PRODUCTION LICENCES | 5% | \$2,500,000 | 10% | \$250,000 |
| INTERNATIONAL PARTICIPATION | 5% | \$2,500,000 | 20% | \$500,000 |
| BROADCASTER X ENVELOPE ALLOCATION FROM THE ENGLISH DRAMA ENVELOPE | | | | \$4,350,000 |

* Relative to others.

4.5.2 Allocation Cap for English and French BE Allocations

Any English or French BE Allocation exceeding 37% of the annual Envelope budget in each language market will be capped at 37%. Any overage will be redistributed proportionally to other Broadcasters earning BE Allocations in the same language market.

4.5.3 Performance Factor Credit Dollars versus Broadcaster Envelope Allocation Dollars

When examining BE calculations, it is important to note that Broadcaster expenditures that make up part of the Performance Factor calculations are not equivalent to BE Allocation [dollars](#) awarded.

For example, if a Broadcaster's Regional Production licensing in a given year amounted to \$500,000, it would not automatically earn \$500,000 CMF dollars in its Envelope Allocation the following year via the Regional Production Licences Factor.

In this example, the \$500,000 in Eligible Licence Fees is considered BE credit. Its value in terms of Envelope Allocation dollars is **relative to the share in that Performance Factor earned by all other Broadcasters competing in that language-genre Envelope**. If that \$500,000 in Eligible Licence Fees is worth 10% of the sum of all Regional Production Licences credit earned by all Broadcasters combined in that language-genre Envelope, then that Broadcaster would earn 10% of the funding available to that genre in that Performance Factor, which may be more or less than \$500,000.

4.5.4 Year-over-Year Broadcaster Envelope Allocation Fluctuations

Fluctuations in a Broadcaster's BE Allocation from year-to-year could be the result of:

- Changes in the overall CMF program budget;
- Changes in the relative amount of funding directed to each envelope or genre;
- Changes in the Performance Factors, their relative weights, or in the Performance Factor metrics used in establishing share;
- Changes in the amount of share a Broadcaster generates for any of the Performance Factors;
- Changes in a Broadcaster's performance relative to the total, in any given Performance Factor; and/or
- An increase or decrease in the number of Broadcasters competing for Allocations in a given language-genre category.

SCHEDULE A – BE ALLOCATION DISPUTE RESOLUTION PROCESS

Identified below is the 4-step process should Broadcasters raise issues pertaining to BE Allocations:

Stage 1: Broadcaster issues relating to BE Allocation calculations or BE policies are directed to the CMF. CMF Staff will examine the issue and any precedents. The Broadcaster will be informed of the decision in writing.

If a precedent does not already exist, the process will move to stage 2.

Stage 2: Should the Broadcaster be unsatisfied with the CMF's initial response or if it is determined that a precedent does not exist, a detailed briefing note regarding the issue will be prepared by CMF staff.

If issues are primarily administrative in nature, the CMF staff member responsible for the type of issue will provide direction regarding the execution of a resolution. One example of such a situation could pertain to the late acceptance of a Total Hours Tuned submission. The Broadcaster will be informed of the CMF's decision in writing.

If the issue is not administrative, the process continues to stage 3.

Stage 3: If the issue is a matter of policy interpretation or if the Broadcaster is not satisfied with the decision at stage 2, the issue will be escalated to the Executive Vice-President, Content and Industry Development Strategy (“**EVP**”) accompanied by a recommendation from the responsible Manager.

The Broadcaster will be informed of the EVP's decision in writing.

If the issue goes beyond administrative or policy interpretation, the process will continue to stage 4.

Stage 4: If the issue is a request for a policy change, it is escalated to the President and CEO, with a recommendation from the EVP. The decision of the President and CEO will be final unless it is determined the matter merits further consideration by the CMF Board.

Once a final decision is rendered by the President and CEO, a formal letter will be sent to the Broadcaster.