



CANADA  
MEDIA FUND

FONDS DES MÉDIAS  
DU CANADA

# **DISTRIBUTOR ENVELOPE PROGRAM GUIDELINES 2026-2027**

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# 1. GENERAL INFORMATION

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

These Guidelines are for the information and convenience of Applicants (see 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 its Programs, Guidelines, Agreements and whether Applicants and/or Projects meet the spirit and intent of any CMF policy, the CMF interpretation shall prevail.

All Applicants, Canadian Broadcasters and Eligible Canadian Distributors (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.

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](http://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 other outcomes:

- Loss of eligibility for funding of the current Project;
- Loss of eligibility for funding of future Projects;
- Repayment of any funds already advanced, with interest; and/or
- 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.

## PERSONA-ID self-identification information

The PERSONA-ID self-identification is provided on a voluntary basis, and, if provided allows individuals to disclose their demographic information directly and securely to the CMF.

The CMF shall rely on the self-identification information associated with each individual's PERSONA-ID number to determine (as applicable) eligibility for dedicated Programs, exclusive reserved portions of Program budgets, Envelope credit, Evaluation Grid points, ranking position in selective programs, and/or for statistical and analytical purposes. Additionally, in certain cases, this information is used to validate other documentation connected to the Project (e.g., the Project's application form, Envelope Program Status Reports, etc.).

As any changes to information attached to an individual's PERSONA-ID account could impact Project eligibility, selection, and/or Envelope calculations, the CMF must be informed of any revisions or updates as soon as possible.

Repeatedly providing incorrect information connected to the CMF-funded Projects may result in serious consequences for the Applicant per the Misrepresentation section above.

All PERSONA-ID self-identification information in connection with the Project is provided in accordance with the [PERSONA-ID Terms of Use & Privacy](#).

For more information about PERSONA-ID, please visit the [CMF's PERSONA-ID](#) section on the CMF's website.

## 2. OVERVIEW

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### 2.1 INTRODUCTION

In addition to the rules and requirements set out in these Guidelines, Applicants must comply with the applicable policies and definitions in [Appendix A](#) and [Appendix B](#).

The Distributor Envelope Program (“**Program**”), which forms part of the CMF’s Linear Content Programs, is an initiative designed to offer more flexibility to Applicants by allowing financial contributions from Eligible Canadian Distributors to unlock CMF production financing without the requirement of a Canadian Broadcaster.

**Beginning in 2026-2027**, the CMF will contribute to Eligible Projects at the production stage through Distributor Envelope Allocations, which are allotments of CMF Program funds made to Eligible Canadian Distributors with a track record of supporting Canadian programming. Eligible Canadian Distributors select which Eligible Projects may receive funds from their Envelope Allocation up to the limit of the funds allocated to them and subject to per project Maximum Contribution amounts (see section 4.2) and other specified limitations. Eligible Canadian Distributors may only use their Envelope Allocations to fund Eligible Projects in production (see section 3.2). Eligible Canadian Distributors who do not have an Envelope Allocation may be eligible for the Alternative Access Allocation (see section 3.2 of the [Distributor Envelope Manual](#)).

For clarity, while Eligible Projects may have Eligible Licence Fees from an attached Canadian Broadcaster as part of the Project’s Eligible Market Commitment Threshold, all Projects must have an Eligible Distribution Advance from an Eligible Canadian Distributor in order to receive CMF funding through this Program.

Please note that all Eligible Canadian Distributors must meet the definition found in [Appendix A](#) and must be confirmed by the CMF’s program administrator (“**CMFPA**”) at Telefilm Canada in advance of an Applicant submitting a Project for CMF funding. Further, Eligible Canadian Distributors contributing to the Eligible Market Commitment Threshold on Projects seeking CMF funding must contact the CMFPA no less than fifteen (15) business days in advance of submitting their Project for funding in order for an eligibility determination to be made.

**Additional changes coming in 2026-2027 include,**

- the Linear Content Programs – Core Production Guidelines have been eliminated. For most Linear Content Production Programs, the [Distributor Envelope Program Guidelines](#) (these Guidelines) and/or the [Broadcaster Envelope Program \(Production\) – English and French Guidelines](#) will serve as the main sets of Guidelines for project funding.
- Minimum Envelope Allocation amounts from the Distributor Envelope Program and/or Broadcaster Envelope Program (Production) – English and French are now required to access most CMF Linear Content Production Programs<sup>1</sup>. These required amounts are noted in each Program’s Guidelines and the specific rules and requirements for combining Envelope Program funding with other CMF Programs are set out in each Program’s Guidelines
- there will now be limits on combining funding from multiple CMF Programs.

Please see section 2.5 of these Guidelines and the specific requirements noted in each Program for more information.

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<sup>1</sup> This new requirement will apply to the following Programs: the Anglophone Minority Incentive, English Regional Production Bonus, Francophone Minority Program, POV Program, Program for Black and Racialized Communities, and Quebec French Regional Production Incentive.

- the CMF will allow an Eligible International Entity (as defined in [Appendix A](#)) to contribute the minority share of the Eligible Market Commitment Threshold (see section 3.2.4) for Eligible Projects in the Children & Youth and Documentary genres.
- Documentary series that are owned and controlled by individuals who are First Nations, Inuit or Métis may fall under Reality Programming or Lifestyle Programming (as defined in [Appendix A](#)), provided the content of these Projects are related to Indigenous culture (see Schedule A – Flexibility for Indigenous-Led Projects).

If a Project's financing is not confirmed in full at the time of application to the Program, the minimum documentation required to be submitted with the application as supporting evidence must include the following:

- Distributor Envelope contributions and all Eligible Distribution Advances (and Eligible Licence Fees, if applicable) contributing to the Eligible Market Commitment Threshold; and
- Confirmation of a minimum of 60% of total Canadian financing for the Project (accompanied by a viable financing plan for the remainder of the Project funding).

The Applicant must confirm 100% of the financing of the Project, supported by signed agreements, no later than the Program's Final Closing Date.

For information on the administration of Distributor Envelopes, including Distributor Envelope calculation methodology, genre allocations and flexibility, transfer policies, and other information, please see the [Distributor Envelope Manual](#) available on the CMF's website at [www.cmf-fmc.ca](http://www.cmf-fmc.ca).

## 2.2 DEFINITIONS

Please see [Appendix A](#) for definitions on the following terms found in these Guidelines:

- Broadcaster-Affiliated Programming
- Canadian Broadcaster
- Circumpolar North
- Diverse Communities
- Eligible Canadian Distributor
- Eligible International Entity
- In-house Programming
- Indigenous Peoples in Canada
- Official Language Minority Communities
- Regional Production Project
- Related Digital Content
- Related Party

## 2.3 FLEXIBILITY FOR INDIGENOUS-LED PROJECTS

Projects from companies owned and controlled by individuals who are First Nations, Inuit or Métis will be granted additional flexibility. Please see Schedule A below for more information.

## 2.4 LANGUAGE OF PROJECTS

### 2.4.1 Original Language of Production

The CMF applies different Eligible Market Commitment Threshold Amounts, Maximum Contribution amounts, Maximum Terms and other calculations depending on the original language of production of the Eligible Project.

The applicable language category is a single language determined by the original language of production of the Project. With some reasonable exceptions for Documentaries, where a Project is versioned into another language, the language into which the Project was versioned is not the original language of production.

In cases where there are multiple languages in a production, the CMF will evaluate a variety of factors (e.g., proportion of the different languages in the Project, language of development materials, language of submitted creative materials, language of the first-window broadcaster, etc.) to determine the Project's original language of production.

Eligible Projects where the original language of production is in English, French, or a Diverse or an Indigenous language (as required by the specific Program) may include other language(s) in the Project if it is for artistic purposes and/or its use is integral to the story (e.g., it is the first language of an expert in a documentary), provided the vast majority of the Project is in the original language of production (as determined by the CMF in its sole discretion). The CMF will evaluate the Project in its entirety to determine if, as a whole (e.g., purpose, content, dialogue, context, etc.), it meets the spirit and intent of the specific Program's language requirements.

For clarity, in the case of animated productions, the original language of production will be determined by which individual CMF Eligible Market Entity (e.g., Canadian Broadcaster, Eligible Canadian Distributor) commits the highest market commitment to the Project.

The specific language requirements for Eligible Projects varies by CMF Program and is detailed in the applicable Program Guidelines.

Eligible Projects in this Program may in some narrow circumstances receive contributions from both an English-language Distributor Envelope Allocation and a French Distributor Envelope Allocation (to be determined at the CMF's sole discretion) if the Project meets the spirit and intent of the CMF's language requirements and is broadcast and/or made available in both languages.

## **2.4.2 Versioning**

For versions of the Eligible Project broadcast or made available in Canada, prior to delivery to the Eligible Canadian Distributor (and Canadian Broadcaster or platform, if applicable), the CMF requires all versioning (i.e., dubbing or subtitling) be performed in Canada using Canadian artists, actors, employees and technicians (as applicable). Exceptions may be made in the case of audiovisual treaty coproductions.

The CMF requires that versioning costs be included in the budget if it is required contractually by one of the Eligible Project's financiers. The CMF will only support versioning costs normally incurred by distributors to assist in foreign market sales under Eligible Marketing Expenses in section 4.2.4 below.

## 2.5 ACCESSING THE DISTRIBUTOR ENVELOPE PROGRAM FUNDING AND COMBINING IT WITH OTHER CMF PROGRAMS

Eligible Applicants may access this Distributor Envelope Program alone or in combination with other CMF Programs according to the requirements below.

### *Programs that can be combined with the Distributor Envelope Program*

With some exceptions<sup>2</sup>, Eligible Projects may combine funds from the Distributor Envelope Program with funds from:

- The Broadcaster Envelope Program (Production) – English and French (“**BEP-EF**”) and/or
- One of the following Programs aimed at a designated community or genre (**CG**):
  - Anglophone Minority Incentive
  - Francophone Minority Program
  - English Regional Production Bonus
  - Northern Production Incentive
  - Quebec French Regional Production Bonus
  - Program for Black and Racialized Communities
  - POV Program

(collectively, “**CG Programs**”)

The total CMF contribution from these Programs is limited to 84% of the Project’s Eligible Costs.

### *Combining the Distributor Envelope Program with...*

<b>PROGRAM</b>	<b>THRESHOLD</b>	<b>MAXIMUM CONTRIBUTION</b>	<b>NATURE OF CONTRIBUTION</b>	<b>MAXIMUM TERM</b>
<i>BEP-EF</i>	Follow BEP-EF rules	Follow BEP-EF rules	Follow BEP-EF rules	Follow BEP-EF rules
<i>CG Program</i>	Follow CG Program’s rules	Follow CG Program’s rules	Follow CG Program’s rules	Follow CG Program’s rules
<i>BEP-EF and a CG Program</i>	Follow CG Program’s rules	Follow CG Program’s rules	Follow CG Program’s rules	Follow CG Program’s rules

<sup>2</sup>Please see the [Indigenous Production Program Guidelines](#) and [Broadcaster Envelope Program – Diverse Languages Guidelines](#) for more information on combining CMF Programs as they each have different requirements.

## 3. ELIGIBILITY

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### 3.1 ELIGIBLE APPLICANTS

In this Program, an Eligible Applicant to the CMF is a for-profit (i.e., a taxable Canadian corporation, within the meaning of Canada's *Income Tax Act*) production company that:

- a) is Canadian-controlled as determined in sections 26 to 28 of the *Investment Canada Act*.
- b) has its head office in Canada.
- c) is in good standing with all applicable talent and industry associations and guilds.
- d) has affirmed and attested that the Project submitted for funding complies with the [CMF's Narrative Positioning Policy](#).

Applicants must own and control all rights necessary to produce and exploit the Eligible Project. Entities that provide services but do not own the applicable rights are not eligible to apply to the CMF.

*Note: For the purposes of the Linear Content Program Guidelines, the term Applicant includes all co-applicants, and/or all Related Parties (defined in [Appendix A](#)), associated, affiliated or parent companies and/or individuals (as determined by the CMF at its sole discretion), as applicable.*

*The CMF encourages all Applicants to review its Default Policy in [Appendix B](#) as it contains important information that could impact the eligibility of a Project and/or Applicant.*

#### 3.1.1 Additional Applicant Requirements

While participation in the PERSONA-ID process is voluntary, Applicants should note it is the self-identification information associated with each individual's PERSONA-ID number that will allow the CMF to assess any specific demographic initiatives in the Project including:

- Designated Programs aimed at Diverse Communities and Official Language Minority Communities;
- Gender Balance and/or Diverse Community Evaluation Grid points in selective Programs;
- Reserved allocations or carve-outs for Diverse Communities in first-come/first-served Programs; and
- Envelope credit for the CMF's Envelope Programs (i.e. this Program, the Broadcaster Envelope Program (Development and Production) – English and French, and the Broadcaster Envelope Program – Diverse Languages).

### 3.2 ELIGIBLE PROJECTS

In this Program, an Eligible Project must be linear audiovisual content that meets the following requirements (as further explained in this section):

- the Essential Requirements;
- the Eligible Genre Requirements (as set out in [Appendix A](#));
- the Ownership and Control Requirements;
- the Eligible Market Commitment Requirements and Conditions; and
- the Miscellaneous Requirements.

An “**Eligible Project**” in this Program is a project whose original language of production is English or French<sup>3</sup>.

Eligible Canadian Distributors with Envelope Allocations greater than \$1,000,000 may commit up to 50% of their Envelope Allocation to Eligible Projects from an Applicant that is a Related Party (as defined in [Appendix A](#)) to the Eligible Canadian Distributor (“**Distributor-related Programming**”) (see section 3.3.3 of the [Distributor Envelope Manual](#)).

Eligible Applicants must initiate and meaningfully participate in the Eligible Project’s development and must exercise control of the creative, artistic, technical and financial aspects of the Project.

**Please note, pilots and projects that are feature films in the Drama programming genre are not eligible for funding in this Program.**

### 3.2.1 Essential Requirements

An Eligible Project must meet the Essential Requirements listed here. For a series (or mini-series, as applicable), the Essential Requirements apply to each episode of the cycle, even if all episodes are not submitted for CMF funding. The CMF solely decides whether an Eligible Project meets the Essential Requirements, and its interpretation shall prevail.

- 1) The Eligible Project will be certified<sup>4</sup> by the Canadian Audio-Visual Certification Office (CAVCO) and has achieved 10/10 points<sup>5</sup> (or the maximum number of points appropriate to the Eligible Project), as determined by the CMF using the CAVCO scale.

*Note: For In-house Programming only, CRTC project certification as a “Canadian program” will be accepted in lieu of CAVCO certification for the purposes of meeting Essential Requirement #1.*

- 2) Underlying rights are owned<sup>6</sup>, and significantly and meaningfully developed, by Canadians.
- 3) The Eligible Project is shot and set primarily in Canada.

Further details on Essential Requirements and permissible genre-specific exceptions are in [Appendix A](#).

#### 3.2.1.1 Audiovisual Treaty Coproductions

With respect to the CMF eligibility of audiovisual treaty coproductions, these Essential Requirements shall be interpreted so as to treat the treaty coproduction partner as “Canadian.”

Accordingly, the term “Canadians” in Essential Requirement 2, and the term “Canada” in Essential Requirement 3 include the coproduction country. Additional requirements for Regional Production Projects to meet Essential Requirement 3 are set out in the [Regional Production Funding Guidelines](#). The 10/10 points referenced in Essential Requirement 1 must be attained by citizens of Canada or the coproducing country.

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<sup>3</sup>For clarity, suitable exceptions will be made for Eligible Canadian Distributors with Distributor Envelope Allocations that make projects available in English and/or French.

<sup>4</sup>Exceptions may be granted by the CMF for exempt broadcasters regulated by the CRTC via *Broadcasting Order CRTC 2015-88*.

<sup>5</sup>Some exceptions exist for certain genres or for Projects from Applicants owned and controlled by individuals who are First Nations, Inuit or Métis. Please see [Appendix A](#) and Schedule A (Flexibility for Indigenous-Led Projects) for more information.

<sup>6</sup>For content created with the assistance of AI technology, it is the responsibility of the Applicant to ensure that (i) all underlying rights to Eligible Projects are owned and meaningfully developed by Canadians and (ii) Eligible Projects have unobstructed access to all underlying rights.

Notwithstanding the above, once an Eligible Project has received its preliminary recommendation from Telefilm Canada's Business Affairs and Certification Department to be certified by CAVCO as an official audiovisual treaty coproduction, such Eligible Project will not be required to meet the Essential Requirements listed herein.<sup>7</sup>

For audiovisual treaty coproductions, any CMF calculations, including the:

- a) Eligible Market Commitment Threshold;
- b) Maximum Contribution;
- c) PFCO; and
- d) Market commitments in selective Programs

for an Eligible Project will be based on the Eligible Costs of the Canadian portion of the Eligible Project's global budget (or global Final Costs). Applicants should consult the specific Program Guidelines for more details.

For information on audiovisual treaty coproductions between Canada and other territories please see [Telefilm Canada's treaty coproduction guidelines](#).

### 3.2.2 Genres of Programming

The CMF supports the following genres: Drama, Documentary, Children and Youth, and Variety and Performing Arts. The CMF defines each in [Appendix A](#) (some flexibility exists for Children and Youth programming and content from Indigenous Applicants – see Schedule A (Flexibility for Indigenous-Led Projects)). A non-exhaustive list of genres and programming formats that are not eligible for CMF funding is included in [Appendix A](#).

### 3.2.3 Ownership and Control Requirements

Eligible Projects in this Program must meet the following requirements:

- 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 production, from development through post-production. Moreover, all distribution and exploitation rights are owned and initially controlled by a Canadian production company.
- d) Generally, no more than 49% of the production financing/final costs is provided by a single non-Canadian entity, person or related entity (via licence fees, distribution advances, goods and services and/or equity investment). 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 necessary for the production of the Eligible Project consistent with those of a producer<sup>8</sup>. This includes control and final approval of creative decisions and development and/or production 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.

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<sup>7</sup>Should an Eligible Project receive a preliminary recommendation to be certified by Telefilm's Business Affairs and Certification Department - but not ultimately receive audiovisual treaty coproduction certification by CAVCO - in lieu of this certification, the Project must meet all applicable CMF eligibility criteria or it will be considered an Event of Default pursuant to [Appendix B](#) and the CMF Financing Agreement.

<sup>8</sup> For greater clarity, the Applicant is able to work and communicate fluently in the original language of production (see section 2.4.1), further demonstrating that they have control on all matters relating to the Eligible Project.

- f) The Applicant owns all rights (including copyright) and options necessary for the production of the Eligible Project 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 Eligible Project.

### 3.2.4 Eligible Market Commitment Requirements and Conditions

Applications in this Program are required to have an Eligible Market Commitment which must be comprised of an Eligible Distribution Advance from an Eligible Canadian Distributor.

An Eligible Market Commitment may also include:

- an Eligible Licence Fee from a Canadian Broadcaster; and/or
- in the **Children & Youth and Documentary genres only**, an Eligible Financial Contribution from an Eligible International Entity (as defined in [Appendix A](#)) of up to 25% of the Eligible Market Commitment Threshold (noted in section 3.2.4.1).

For clarity, Eligible International Entities may contribute up to 25% of the Eligible Market Commitment Threshold used to finance the production of an Eligible Project in the Children & Youth and Documentary genres, provided the Eligible Distribution Advances of the Eligible Canadian Distributor (and, if applicable, Eligible Licence Fees of the Canadian Broadcaster) represent the larger share of the Project's Threshold (i.e. at 75% or above). This flexibility only applies to Eligible International Entities that meet the CMF's definition in [Appendix A](#).

The Eligible Market Commitment must meet or exceed a minimum amount, expressed as a percentage of the Eligible Costs of the Project (i.e. the Eligible Market Commitment Threshold, which is explained in greater detail in section 3.2.4.1) to be eligible for CMF production funding.

Eligible Market Commitments in this Program are:

- a) Cash contributions
- b) Paid by an Eligible Canadian Distributor (and, if applicable, a Canadian Broadcaster and/or an Eligible International Entity) as part of the Project's production financing
- c) Paid to the CMF Applicant
- d) Which are in exchange for the enumerated exploitation rights
  - a. Eligible Canadian Distributor – Canadian Exploitation Right and/or International Territory Exploitation Right.
  - b. Canadian Broadcaster – Canadian Broadcast Right.
  - c. Eligible International Entity – International Territory Exploitation Right.
- e) All of which is subject to one or more current, legally binding contract(s) – i.e., a distribution agreement and, if applicable, a broadcast licence agreement.

Aspects of an Eligible Market Commitment in this Program:

- a) Cash contributions

Cash contributions must be genuine, industry standard, for fair market value and cannot be reduced once the CMF has entered into a production financing agreement with the Applicant.

Cash contributions for (i) Eligible Canadian Distributors are minimum guarantees/distribution advances that can be recouped within the parameters of what is generally and customarily followed by distributors of linear content in the audiovisual industry (and the CMF's Distributor requirements set out in [Appendix B](#) – Chapter 9), and for (ii) Canadian Broadcasters and Eligible International Entities (if applicable) are non-recoupable licence fees.

Cash contributions cannot include facilities, goods or services, equity, an Applicant time-buy, donations or corporate sponsorship monies negotiated and obtained by the Applicant, tax credits or any arrangement which, in the CMF's assessment, does not constitute a genuine cash contribution. The foregoing does not preclude an Eligible Canadian Distributor (and if applicable, Canadian Broadcaster and/or Eligible International Entity) from contributing an equity investment, services, facilities, or other fees in addition to cash contributions that make up the Eligible Market Commitment.

In cases where the provision of a cash contribution is wholly or partially dependent on a buyback of services from the provider of the contribution, the CMF may elect to deduct the value of the services or facilities from the total value of the contribution, for the purposes of determining Eligible Market Commitment amounts for the Eligible Market Commitment Threshold assessment; this determination will be made on a case-by-case basis.

b) Eligible Canadian Distributor (and, if applicable, Canadian Broadcaster and/or Eligible International Entity)

An Eligible Canadian Distributor, Canadian Broadcaster and Eligible International Entity as defined in [Appendix A](#).

c) Applicant to the CMF

Eligible Market Commitments must be paid by the Eligible Canadian Distributor (and, if applicable, the Canadian Broadcaster and/or the Eligible International Entity) directly to the Applicant. The CMF, however, will also allow Eligible Licence Fees to be paid by the Canadian Broadcaster indirectly via an intermediary Canadian corporation affiliated with both the Applicant and the Canadian Broadcaster.

d) Enumerated Exploitation Rights

Before detailing the various exploitation rights that can be acquired by Eligible Canadian Distributors (and if applicable, Canadian Broadcasters and/or Eligible International Entities), it is important to note that all Projects that receive funds through this Program:

- Must be made available to Canadian audiences within eighteen (18) months of delivery and technical acceptance of the Eligible Project (Canadian Availability Requirement) by one of the following ways:
  - A Canadian Broadcaster either (i) that has issued an Eligible Licence Fee, initially securing the Canadian Broadcast Right of the Project or (ii) securing the right to broadcast the Project in Canada later as an acquisition;
  - An Eligible Canadian Distributor that has issued an Eligible Distribution Advance, initially securing the Canadian Exploitation Right of the Project; and
- If the non-Canadian premiere of the Project occurs first, the Project must have a Canadian premiere within twelve (12) months of the non-Canadian premiere (Canadian Premiere Requirement).

It will be considered an Event of Default pursuant to the Distributor Agreement Form and Chapter 9 (Distributor Business Policy) in [Appendix B](#) if the above two requirements are not met.

i. ***Eligible Canadian Distributor – Exploitation Rights***

The Eligible Distribution Advance of an Eligible Canadian Distributor is in exchange for an Eligible Project's (i) Canadian Exploitation Rights, and/or (ii) International Territory Exploitation Rights.

*Canadian Exploitation Right*

The Canadian Exploitation Right for an Eligible Canadian Distributor is the right to exploit the Eligible Project in Canada during the Maximum Term (defined below) on either (i) a CRTC-licensed broadcaster (and their platforms) in the language of the broadcaster in question within eighteen (18) months of delivery and technical acceptance of the Eligible Project, or (ii) an Eligible Online Platform within eighteen (18) months of delivery and technical acceptance of the Eligible Project. An **Eligible Online Platform** is one that:

- carries other content pre-screened or pre-qualified by either (a) the online service or (b) the distributor, under an arrangement with the online service;
- is readily accessible to Canadians in Canada; and
- has Canada as a part of its target audience (i.e., be a service where Canadians would likely look for linear audiovisual content, as opposed to a service primarily intended for foreign territories); and
- is recognized by the [Canadian Audio Visual Certification Office's](#) (CAVCO) as an acceptable online platform.

In order for an Eligible Project to unlock CMF financing, along with meeting any additional Linear Content Production Program Guidelines (if applicable), [Appendix A](#) and [Appendix B](#), Eligible Canadian Distributors must comply with all the applicable sections of these Program Guidelines, including but not limited to meeting the designated Eligible Market Commitment Threshold (either on their own or in combination with the Canadian Broadcaster's Eligible Licence Fee(s) and, if applicable the Eligible International Entity's Eligible Financial Contribution).

For the Canadian Territory, while Eligible Canadian Distributors are free to negotiate and may acquire rights other than the Canadian Exploitation Right (i.e. Other Exploitation Rights in Canada), these other rights must be valued and paid for separately and will not count towards the Eligible Market Commitment Threshold requirement necessary to unlock CMF financing.

*International Territory Exploitation Right*

The International Territory Exploitation Right is the right of an Eligible Canadian Distributor to make the Eligible Project available to territories outside of Canada.

While a variety of different exploitation rights may form part of the International Territory Exploitation Right, in order to count towards a Project's Eligible Market Commitment Threshold, Eligible Canadian Distributors must at a minimum secure the right to make the Eligible Project available to be seen on either broadcast television or an online platform in territories outside of Canada as part of this Right.

Applicants and Eligible Distributors are free to negotiate one or multiple territories outside of Canada for the International Territory Exploitation Right.

In order for an Eligible Project to unlock CMF financing, along with meeting any additional Linear Content Production Program Guidelines (if applicable), [Appendix A](#) and [Appendix B](#), Eligible Canadian Distributors must comply with the applicable sections of these Guidelines, including but not limited to meeting the designated Eligible Market Commitment Threshold (either on their own or in combination with the Canadian

Broadcaster's Eligible Licence Fee and, if applicable an Eligible International Entity's Eligible Financial Contribution).

**ii. Canadian Broadcaster – Canadian Broadcast Right**

The Eligible Licence Fees of a Canadian Broadcaster are in exchange for an Eligible Project's Canadian Broadcast Right.

The Canadian Broadcast Right is the right of a Canadian Broadcaster to broadcast and/or make the Eligible Project available on any broadcast and online platforms the Canadian Broadcaster owns, operates and controls in Canada within eighteen (18) months of completion and delivery of the Eligible Project in the language of the Broadcaster in question during the Maximum Term (defined below).

The Canadian Broadcast Right cannot include:

- Broadcast rights for non-Canadian territories.
- Other Exploitation Rights (as detailed further below) for Canadian or non-Canadian territories.
- An ownership, profit, repayment or recoupment position in the Eligible Project.
- Rights in excess of the Maximum Term as described below.

For clarity, while Canadian Broadcasters are free to negotiate and may acquire *separate* rights other than the Canadian Broadcast Right (i.e., International Broadcast Rights, Other Exploitation Rights), these separate financial contributions made by Canadian Broadcasters must be valued and paid for separately and will not count towards the Eligible Market Commitment Threshold requirement necessary to unlock CMF production financing.

Further, regardless of whether the CMF has made an equity investment in an Eligible Project, Other Exploitation Rights (discussed further below in s.3.2.4.3) shall only apply to the various subsidiary and ancillary exploitation rights of the Project and not merely consist of additional access to revenue or recoupment to the Canadian Broadcast Right or Other Exploitation Rights themselves. Broadcasters may only recoup on exploitation revenues if they are making a financial investment in a project's financial structure.

In order for an Eligible Project to unlock CMF financing, along with meeting the applicable sections of these Guidelines, Canadian Broadcasters must comply with any applicable Linear Content Production Program Guidelines (i.e., additional Programs they are accessing funding from), [Appendix A](#) and [Appendix B](#), including but not limited to meeting the designated Eligible Market Commitment Threshold (in combination with Eligible Distribution Advances from an Eligible Canadian Distributor(s) and, if applicable, an Eligible Financial Contribution from an Eligible International Entity).

**iii. Eligible International Entity – International Territory Right**

The Eligible Financial Contribution of an Eligible International Entity are in exchange for an Eligible Project's International Territory Exploitation Right.

The International Territory Exploitation Right is the right to exploit the Eligible Project in territories outside of Canada.

While a variety of different exploitation rights may form part of the International Territory Exploitation Right, in order to count towards a Project's Eligible Market Commitment Threshold, Eligible International Entities must at a minimum secure the right to make the Eligible Project available to be seen on either broadcast television or an online platform in territories outside of Canada as part of this Right.

Applicants and Eligible International Entities are free to negotiate one or multiple territories outside of Canada for the International Territory Exploitation Right.

In order for an Eligible Project to unlock CMF financing, along with meeting any additional Linear Content Production Program Guidelines (if applicable), [Appendix A](#) and [Appendix B](#), Eligible International Entities must comply with the applicable sections of these Guidelines, including but not limited to meeting the designated Eligible Market Commitment Threshold (in combination with the Eligible Canadian Distributor's Eligible Distribution Advance and/or the Canadian Broadcaster's Eligible Licence Fee).

e) Legally binding contract

i. An Eligible Canadian Distributor's distribution agreement:

- Must include parameters and practices that are generally and customarily followed by distributors of linear content in the audiovisual industry, including but not limited to an outline of:
  - all exploitation rights being licensed or acquired,
  - the amount of the Eligible Canadian Distributor's Eligible Distribution Advance (for the Canadian territory and for the International Territory, as applicable),
  - the amount of the Other Exploitation Rights for the Canadian territory (if applicable),
  - the total amount being paid for the Project,
  - the territory(ies),
  - the term, and
  - all relevant terms and conditions.
- Must align with all Eligible Canadian Distributor responsibilities (including applicable payment schedule requirements) outlined in the Distributor Business Policy (Chapter 9) of [Appendix B](#).
- If the Canadian Exploitation Right is being secured, the distribution agreement must include an unconditional commitment to have the Eligible Project,
  - meet the Canadian Availability Requirement by being:
    - broadcast and/or made available to be viewed on any of the broadcast and online platforms a CRTC-licensed broadcaster owns, operates and controls during the Maximum Term within eighteen (18) months of delivery and technical acceptance of the Eligible Project;

OR

  - made available to be viewed on an Eligible Online Platform during the Maximum Term within eighteen (18) months of delivery and technical acceptance of the Eligible Project.
- meet the Canadian Premiere Requirement.

ii. A Canadian Broadcaster's broadcast licence agreement for the Canadian Broadcast Right:

- Must include an unconditional commitment by the Canadian Broadcaster to broadcast and/or make the Eligible Project available to be viewed in the language in which the Broadcaster is licensed to operate on any of the broadcast and online platforms the Canadian Broadcaster owns, operates and controls in peak viewing hours<sup>9</sup> and closed captioned<sup>10</sup>, within eighteen (18) months of

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<sup>9</sup>For clarity, an Eligible Project must meet the 'peak viewing hours' requirement only when it is broadcast by an entity that meets section (a) of the "Canadian Broadcaster" definition in [Appendix A](#).

<sup>10</sup>As applicable, based on the respective platform.

completion and delivery of the Eligible Project<sup>11</sup> and meeting the Canadian Premiere Requirement. The CMF will consider requests for an extension to this period on a case-by-case basis. Should any Canadian Broadcasters who contribute to a Project's Eligible Licence Fee fail to comply with these requirements, the licence fee will be deemed not to be an Eligible Licence Fee.

**Peak viewing hours**" is defined by the CMF as 7:00 pm to 11:00 pm, with an exception for some Children and Youth programming as described in [Appendix A](#). For second and subsequent window Broadcasters, the commitment to broadcast the Eligible Project in peak viewing hours (or, if applicable, make the Eligible Project available to be viewed) within eighteen (18) months will start at the beginning of those Broadcasters' Maximum Terms.

- Cannot restrict the Applicant's ability to exploit non-Canadian broadcast rights, with the exception of traditional broadcast spill-over protections and exclusive world premiere rights. Where exclusive world premiere rights are taken by a Canadian Broadcaster, licence agreements must provide for waiver of the world premiere rights if a bona fide sale to a foreign entity is made, provided the foreign entity agrees not to broadcast the program within six (6) months of delivery to the Canadian Broadcaster. To be clear, a Canadian Broadcaster cannot hold world premiere rights longer than six (6) months from delivery if a bona fide sale has been made to a foreign broadcaster.
  - With the exception of dual-language broadcast channels, can only include the language rights of the language in which the Canadian Broadcaster is licensed to operate. For example, the contract cannot include the acquisition of French-language rights by an English-language Canadian Broadcaster or of English-language rights by a French-language Canadian Broadcaster. The dual-language Canadian Broadcaster in such cases must specify to the CMF the licence fee paid for each language right acquired. No single-language licence shall prevent the exploitation of the other language rights by the Applicant.
  - Cannot confer upon the Canadian Broadcaster a right of last refusal for any rights other than additional broadcast windows for the currently licensed season/cycle. This means a Canadian Broadcaster cannot acquire a right of last refusal for broadcast windows for future cycles or versions of the Eligible Project. Canadian Broadcasters may acquire the right of first negotiation and/or last refusal for additional broadcast windows for the currently licensed season/cycle.
  - For the purposes of series, cannot include co-terminus rights clauses. Co-terminus clauses (i.e., clauses that extend the terms of existing licences to the end of the term of the renewal licence with no additional payment) are prohibited in eligible licence agreements for renewed series, but these licences may include rights of first negotiation and/or last refusal for extension of licences for existing episodes of the series.
  - A payment schedule that aligns with the Broadcaster Business Policy (Chapter 8) in [Appendix B](#).
- iii. An Eligible International Entity's agreement for the International Territory Exploitation Right:
- Must include parameters and practices that are generally and customarily followed by broadcasters/streaming services of linear content in the audiovisual industry, including but not limited to an outline of:
    - all exploitation rights being licensed or acquired,
    - the amount being paid towards the Eligible Market Commitment Threshold (if applicable),
    - the total amount being paid for the Project,
    - the territory(ies),
    - the term, and

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<sup>11</sup>For dual-language productions, this requirement shall be interpreted to mean eighteen (18) months from the first completed version.

- all relevant terms and conditions.

### 3.2.4.1 Eligible Market Commitment Threshold

The Eligible Market Commitment Threshold is the minimum amount of Eligible Distribution Advances from an Eligible Canadian Distributor (and, if applicable, Eligible Licence Fees from a Canadian Broadcaster and/or an Eligible Financial Contribution from an Eligible International Entity<sup>12</sup>) that an Eligible Project must receive in order to unlock CMF funding.

In this Program, an Eligible Distribution Advance from an Eligible Canadian Distributor is a requirement.

The Eligible Market Commitment Thresholds in this Program are listed in the table below. Applicants are reminded that if a project is combining funds from multiple CMF Programs, Threshold amounts may change (see section 2.5 above).

Language	Type	Threshold
ENGLISH	All Eligible Projects	15% of the Project's Eligible Costs
FRENCH	All Eligible Projects	5% of the Project's Eligible Costs

For audiovisual treaty coproductions, the Eligible Market Commitment Threshold will be calculated on the Eligible Costs of the Canadian portion of the production's global budget as certified by Telefilm Canada's Business Affairs and Certification Department.

The entirety of the Eligible Market Commitment contributing to meeting Threshold must be used in the financing of the Eligible Project.

### 3.2.4.2 Maximum Terms

For Projects that receive funding through this Program that are from independent producers (i.e., non-Related Parties to Eligible Canadian Distributors, not Broadcaster-Affiliated, not In-house Programming), the maximum allowable period of all windows granted to (i) Eligible Canadian Distributors for the Canadian Exploitation Right and, (ii) if applicable, Canadian Broadcasters for the Canadian Broadcast Right (**Maximum Term**), in the aggregate and including both exclusive and non-exclusive terms is the following:

- Children and Youth, Documentary, and Variety and Performing Arts: 6 years
- Drama: 7 years

The start of the Maximum Term shall begin at the contractually agreed-upon commencement date, as negotiated between the Applicant and the Eligible Canadian Distributor (and, if applicable, the Canadian Broadcaster). The Maximum Term is the period in which an Eligible Canadian Distributor (and, if applicable, Canadian Broadcaster) has the right to exploit the Project's Canadian Exploitation Right and, if applicable the Canadian Broadcast Right. In the case of a series (or mini-series, as applicable), the Maximum Term is measured from the commencement date of the first episode of the series and not the commencement dates of each episode.

For clarity, the start of the Maximum Term and the first air date/exploitation date may not always coincide. By way of example, a Canadian Broadcaster's Maximum Term may be from September 1, 2026 to August 31, 2032, but the Broadcaster may choose to make the first broadcast date November 15, 2026. For eligibility purposes, the Maximum Term

<sup>12</sup> Eligible International Entities (as defined in [Appendix A](#)) may contribute up to 25% of the Eligible Market Commitment Threshold of an Eligible Project (see section 3.2.4) in the Children & Youth and Documentary Genres only.

begins on September 1, 2026. In no case will the Maximum Term commence later than the first airing or exploitation of the first episode.

Applicants can incorporate contributions in excess of the Maximum Term within the financial structure. Only the portion of the contributions, however, within the Maximum Term will be used for the purposes of all CMF calculations, including Threshold assessment, and, if applicable, allowable Envelope contributions. Contributions that commence within the Maximum Term but extend beyond it will be pro-rated to match the Maximum Term set for each genre.

### **3.2.4.3 Treatment of Other Exploitation Rights**

All other rights that are not part of the Canadian Exploitation Right (and, if applicable, Canadian Broadcast Right) must be separately identified and valued for the Canadian Territory.

Other Exploitation Rights include (but are not limited to) the following:

- i) Free Internet broadcast/distribution.
- ii) CRTC-licensed VOD.
- iii) Paid Internet broadcast/distribution (including Subscription Video On Demand).
- iv) Mobile/wireless distribution.
- v) Electronic sell-through and/or digital rental.
- vi) DVD, Blu-ray, or other compact video device distribution.
- vii) Theatrical distribution.
- viii) Non-theatrical distribution (e.g., educational institutions and airlines).
- ix) Merchandising and ancillary rights.

All of the above-listed Other Exploitation Rights and any exploitation right which is not encompassed by the above, whether currently existing or developed in the future, shall be ascribed the meaning as commonly understood and in accordance with the standards of the television, digital media and communications industries. Eligible Canadian Distributors, (and if applicable, Canadian Broadcasters), and Applicants are free to further delineate separate rights, within or in addition to these categories, but the above list represents the minimum degree of distinct rights valuation in the legally binding contract connected to an Eligible Project.

For Canadian Broadcasters that commit an Eligible Licence Fee to an Eligible Project:

- All Other Exploitation Rights that are acquired must be subject to a “use it or lose it” provision that requires the rights to be exploited within twelve (12) months of the first broadcast/premiere of the Eligible Project, failing which the rights revert to the Applicant without restriction<sup>13</sup>.
- For Other Exploitation Rights that are not acquired, the agreement with the Applicant cannot restrict the Applicant’s ability to exploit the Other Exploitation Rights for longer than twelve (12) months from the first broadcast/premiere of the Eligible Project.
- Where the CMF provides an Equity Investment to the Eligible Project, Other Exploitation Rights acquired must:

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<sup>13</sup> For French-language Projects, if the additional Other Exploitation Right known as American Subscription Video on Demand (ASVOD) (as defined in the 2025-2030 AQPM-JDA Collective Agreement), has not been acquired by a Canadian Broadcaster, the contract with the Applicant may limit the Applicant’s ability to exploit this Other Exploitation Right for a period not exceeding the lesser of (i) the term of the license granting the first Broadcast Rights, or (ii) sixty (60) months from the date of first broadcast. In return, the Canadian Broadcaster undertakes not to exploit ASVOD’s additional right itself without agreeing with the Applicant and negotiating the terms.

- Be exploited in accordance with the CMF's Standard Recoupment Policy (with the Canadian Broadcaster acting as a distributor for the purposes of that policy). For rights under paragraphs i-v above only, the CMF may consider a 50/50 gross revenue sharing arrangement between the Applicant and the Canadian Broadcaster (or other arrangement that is no less preferable to the CMF than a 50/50 gross revenue share); or
- For rights under paragraphs i-iv above only, be paid for at a reasonable, fair-market value.

The CMF will apply this section in an adaptable and purposive manner, with the objectives of promoting transparency in the rights market, maximizing the availability of CMF-funded content on multiple platforms for the benefit of Canadian audiences, and maximizing the CMF's return on investment when the CMF is an equity investor.

### 3.2.5 Miscellaneous Requirements

The Eligible Project must meet these 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 cannot contain elements of excessive violence, hate propaganda, 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), and is not libellous or in any other way unlawful, and is in compliance with all applicable privacy and other laws and regulations.
- c) It is closed-captioned<sup>14</sup> if it contains narrative, dialogue or lyrics. Exceptions may be permitted for Eligible Projects targeting children under the age of five, Projects in Indigenous languages that do not use the Roman alphabet, and live-to-air productions.
- d) 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 to determine if the project is a repackaging (e.g., some "making-of", "best-of" and/or "catch-up" episodes may be permitted). Projects comprised mainly of stock footage may be new productions provided the footage is not merely repackaged in whole or from large segments for the Project.
- e) Generally, the CMF expects a production to begin principal photography/key animation within the fiscal year in which it is funded or within three (3) months thereafter<sup>15</sup>. Special considerations may be made, for example, for Eligible Projects that need to capture a time-sensitive event or ones that are required to commence production during the period in which the CMF is closed to funding applications (e.g., December to March).

*Note: An Applicant commencing production before CMF funding is confirmed does so at its own risk.*

- f) It, or any version of it, has not been broadcast/presented on any platform prior to its application for CMF funding.
- g) When working with First Nations, Inuit, and Métis communities, cultures, concepts and stories, the CMF encourages all Applicants to respect the guiding principles and best practices set out in the [On-Screen Protocols & Pathways Media Production Guide](#).

<sup>14</sup> As applicable, based on the respective platform.

<sup>15</sup> For greater clarity, the CMF does not support post-production/completion activities in its Linear Content Production Programs. However, the CMF may consider such a request if principal photography/key animation commences within the eligible period applicable to the fiscal year of the funding request, on a case-by-case basis.

- h) The CMF encourages all Applicants to implement more environmentally-sustainable practices and cleaner technologies – and reduce the use of unsustainable resources – in the development, production and exploitation of their Projects.
- i) Live-action Eligible Projects with Eligible Costs over the following thresholds are required to use a carbon calculator to track the carbon emissions generated by their Project:
- Drama: \$800,000 or more per hour
  - Children & Youth and Variety and Performing Arts: \$750,000 or more per hour
  - Documentary: \$400,000 or more per hour

For audiovisual treaty coproductions, carbon calculators are only required for the Eligible Costs of the Canadian portion of the Eligible Project's global budget (or global Final Costs).

- j) For content that is created with the assistance of Artificial Intelligence (AI) technology:
- the CMF encourages all Applicants to respect the CMF's [AI Guiding Principles](#); and
  - it is the responsibility of the Applicant to ensure that (i) all underlying rights to Eligible Projects are owned and meaningfully developed by Canadians and (ii) Eligible Projects have unobstructed access to all underlying rights.
- k) All English-, French- and Indigenous-language Eligible Projects at the production phase, with Eligible Costs over \$500,000 are required to make their Projects available in described video. For clarity, this requirement will not apply to live-to-air productions or Eligible Projects in Diverse languages.

## 4. CMF CONTRIBUTION

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### 4.1 NATURE OF CONTRIBUTION

In this Program, Eligible Projects may receive a variety of contribution types from the CMF:

- Non-Repayable Contribution
- Licence Fee Top-Up, and
- Equity Investment

A **Non-Repayable Contribution** supplements the Eligible Distribution Advance from an Eligible Canadian Distributor. When a Canadian Broadcaster does not provide an Eligible Licence Fee to a Project, this type of contribution forms part of the Eligible Canadian Distributor's financial commitment for the Eligible Project and is non-repayable.

A **Licence Fee Top-Up** supplements the Eligible Licence Fees that an Applicant receives from a Canadian Broadcaster. This type of contribution forms part of the Canadian Broadcaster's licence fee for the Eligible Project and is non-recoupable.

An **Equity Investment** is a cash investment which results in the CMF acquiring an undivided copyright ownership interest in all versions of the Eligible Project. Equity Investments are recoupable, and subject to a standard and non-negotiable recoupment schedule, as described and subject to, any exceptions in the CMF Standard Recoupment Policy (see [Appendix B](#)).

For projects where a Canadian Broadcaster *does not provide an Eligible Licence Fee* (and the Threshold is only met by an Eligible Canadian Distributor):

- the initial CMF contribution to an Eligible Project will be in the form of a Non-Repayable Contribution, up to a maximum percentage of 20% of the Project's Eligible Costs.
- CMF contribution amounts in excess of this 20% maximum will be in the form of an Equity Investment up to the maximum amount of 49% (Non-Repayable Contribution and Equity Investment combined). The CMF considers an eligible Equity Investment request of less than \$100,000 too small for equity participation. Such requests will be automatically converted to a Non-Repayable Contribution.

For projects where a Canadian Broadcaster *does provide an Eligible Licence Fee*:

- the CMF contribution to the Eligible Project will be in the form of a Licence Fee Top-Up up to a maximum percentage of 20% of the Project's Eligible Costs.
- CMF contribution amounts in excess of the Licence Fee Top-Up will be in the form of an Equity Investment up to the maximum amount of 49% (Licence Fee Top-Up and Equity Investment combined). The CMF considers an eligible Equity Investment request of less than \$100,000 too small for equity participation. Such requests will be automatically converted to a Licence Fee Top-Up.

In no case will the total CMF contribution exceed 49% of Eligible Costs (between Non-Repayable Contributions, Licence Fee Top-Ups, and Equity Investments combined).

CMF contributions may be combined in the financing of an Eligible Project from more than one Distributor Envelope Allocation. The total combined CMF contribution committed from all Distributor Envelope Allocations must respect any applicable Maximum Contribution amounts and the total combined CMF contribution committed from all Distributor Envelope Allocations must respect the Non-Repayable Contribution and Equity Investment split described above.

## 4.2 AMOUNT OF CONTRIBUTION

Applicants are reminded that if an Eligible Project is combining funds with other CMF Programs, the Maximum Contribution a Project will receive may change (see section 2.5 above).

Eligible Canadian Distributors may decide what proportion of their Envelope Allocations to allot to an Eligible Project up to the limit of the funds allocated to them and up to the specified Maximum Contribution amounts and other specified limitations.

The CMF's Maximum Contribution in the Distributor Envelope Program is 49% of the Eligible Project's Eligible Costs.

There are no minimum Distributor Envelope Allocation contribution amounts to an Eligible Project.

For audiovisual treaty coproductions, the CMF Maximum Contribution for the Eligible Project will be calculated on the lesser of the Eligible Costs of the Canadian portion of the Eligible Project's global budget and the Eligible Costs of the Canadian portion of the global final costs of the Eligible Project, as certified by Telefilm Canada's Business Affairs and Certification Department.

### 4.2.1 Eligible Costs

Eligible Costs are costs set out in the production budget for the Eligible Project or the final cost report as applicable (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.

CMF participation is calculated on the Eligible Costs of a Project and assessment of a Project's Eligible Costs is at the CMF's sole discretion. The CMF estimates Eligible Costs at the time of application, based on budgets for the Project. Eligible Costs may include cost increases between budget and approved final costs.

The CMF will allow reasonable costs related to environmentally-sustainable activities, practices and personnel connected to a project funded through the Linear Content Programs.

While gifts to the public are ineligible as marketing expenses per section 4.2.4 below, gifts made to Indigenous communities recognized as cultural practice and referenced in the [On-Screen Protocols & Pathways Media Production Guide](#) will be accepted as Eligible Costs.

### 4.2.2 Eligible Digital Content

While no longer a required element for CMF Linear content funding, Applicants can continue to include costs for the production of digital media content related to their linear project ("**Related Digital Content**"). For more information on the parameters of Related Digital Content, please see the full definition in [Appendix A](#).

If applicable, Related Digital Media Content costs (including budgeted upkeep and enhancement costs for the related project for a period of up to twelve (12) months after the launch of the content) must be submitted as line item #85 in the Eligible Project's application budget.

Additional CMF Business Policies for Related Digital Content are in [Appendix B](#).

### 4.2.3 Related-Party Transactions

All Related-Party fees, Related-Party allowances and any other Related-Party transactions must be:

- a) Disclosed to the CMF; and
- b) In accordance with the current CMF Accounting and Reporting Requirements in [Appendix B](#).

#### **4.2.4 Marketing Expenses**

Eligible Costs of the Eligible Project may include:

- Unit publicity expenses incurred during production (e.g., production photographs, hiring a publicist to arrange interviews);
- Versioning costs to assist in foreign market sales<sup>16</sup>;
- Attendance at national and international markets to generate sales or other revenues from the Eligible Project; and
- Submission/registration to a relevant awards show/event.

The maximum allowable Eligible Projects' eligible marketing expenses shall be the lesser of 5% of Categories B+C of the production budget or \$400,000. In the case of eligible marketing expenses of \$10,000 or less, no budget percentage cap will be imposed.

All marketing expenses of the Eligible Project – including those for Related Digital Content, if applicable – should be allocated to budget account # 70 in the production budget.

Non-eligible marketing costs include:

- Costs already financed or paid for by another financier or funding body.
- Wrap party, crew or cast gifts, and gifts to the public (e.g., t-shirts, mugs).

#### **4.2.5 Pilots and Series**

Eligible Costs for a series may include costs related to enhancements to a previously produced pilot where the series is consequent to that pilot.

#### **4.2.6 Prizes**

Any prize that is won, awarded, presented, or granted to individuals in connection with any CMF-funded production, in any genre, shall be an ineligible cost, even if such prize is deemed to be educational in nature.

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<sup>16</sup>Under the Marketing Expenses cap, the CMF will accept up to 90 minutes of versioning costs to assist in foreign market sales of an Eligible Project.

## 5. DECISION PROCESS

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The CMF will contribute to Eligible Projects through Distributor Envelope Allocations, which are allotments of CMF Program funds made to Eligible Canadian Distributors with a track record of supporting Canadian programming.

Distributor Envelope Allocations may only be used for production-stage Projects.

Eligible Canadian Distributors select which Eligible Projects may receive funds from their Envelope Allocations up to the limit of the funds allocated to them (subject to certain limitations outlined in these Guidelines).

The Envelope Allocation mechanism enables the CMF to disburse funds in a timely, efficient, and market-driven manner in partnership with Canadian Distributors. Although Envelope Allocations are assigned to Eligible Canadian Distributors, CMF funding is disbursed directly to Applicants.



CANADA  
MEDIA FUND

FONDS DES MÉDIAS  
DU CANADA

# **SCHEDULE A**

# **FLEXIBILITY FOR**

# **INDIGENOUS-LED**

# **PROJECTS**

## **2026-2027**

## **Introduction**

The CMF offers the following flexibility measures to reflect the experiences of Indigenous Peoples in Canada (defined in [Appendix A](#)) and to recognize the unique circumstances of the Indigenous production community. These measures apply to all CMF Linear Content Programs.

### *Indigenous Applicants Based in the Circumpolar North<sup>17</sup>*

#### **1. Essential Requirement #1 Flexibility**

Essential Requirement #1 (ER#1) requires that an Eligible Project receiving Linear Content funding must 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.

Eligible Projects that are owned and controlled by Eligible Applicants who are First Nations, Inuit or Métis and are based and working in Canada's North will be granted the following flexibility on ER#1, as determined on a case-by-case basis:

- Provided the majority of the Project's CAVCO scale positions are filled by Canadians, the CMF will allow the remaining CAVCO scale positions to be filled by individuals based and working in the Circumpolar North (defined in [Appendix A](#)) who are not Canadian.

This flexibility will apply to all CMF Linear Programs across all genres at the predevelopment, development, and production stages.

#### **2. Eligible Market Commitment Flexibility (Production)**

An Eligible Market Commitment Threshold is the minimum amount of financial contributions an Eligible Project must receive from the marketplace in order to unlock CMF funding for that project.

While the CMF allows Canadian Broadcasters and Eligible Canadian Distributors (and, if applicable, Eligible International Entities<sup>18</sup>) (each defined in [Appendix A](#)) to contribute to a Project's Eligible Market Commitment Threshold, Eligible Projects that are owned and controlled by Eligible Applicants who are First Nations, Inuit or Métis and are based and working in Canada's North will be granted the following flexibility on this requirement, as determined on a case-by-case basis:

- Non-Canadian broadcasters from the Circumpolar North may contribute to a Project's Eligible Market Commitment Threshold (either in combination with Canadian Broadcasters and/or Eligible Canadian Distributors and, if applicable, Eligible International Entities<sup>18</sup>, or acting as the sole entity that unlocks CMF funding).

The applicable rights, Maximum Term and other material elements connected to Projects where a non-Canadian broadcaster from the Circumpolar North contributes to the Eligible Market Commitment Threshold are subject to CMF approval and will be evaluated on a case-by-case basis.

For clarity, all CMF-funded production-stage Projects must be made available to Canadian audiences within eighteen (18) months of completion and delivery of the Eligible Project. Therefore, if a non-Canadian broadcaster from the Circumpolar North is the only entity that contributes to a Project's Eligible Market Commitment Threshold, the Applicant must still ensure that the Project meets the Canadian Premiere Requirement (see section 3.2.4) and is made available in Canada via a Canadian Broadcaster and/or Eligible Canadian Distributor within eighteen (18) months of completion and delivery of the Project or it will be considered an Event of Default pursuant to [Appendix B](#) and the Applicant's CMF Financing Agreement.

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<sup>17</sup> The CMF uses the University of Arctic's definition of the Circumpolar North traditionally covered by the terms, "Arctic" and "Subarctic", which encompasses the world's eight northernmost nations (see [Appendix A](#)).

<sup>18</sup> Eligible International Entities may contribute up to 25% of the Eligible Market Commitment Threshold for Eligible Projects in the Children and Youth and Documentary genres (see section 3.2.4)

### **3. Genre Flexibility**

Eligible Projects that are owned and controlled by individuals who are First Nations, Inuit or Métis may include "**How-to**" **Programming** (as defined in section A)#2 in the Documentary Programming section in [Appendix A](#)) in a documentary project, provided the Project's content is related to Indigenous culture<sup>19</sup>, and meets the other applicable requirements of the CMF's Documentary genre definition (see section 4 of [Appendix A](#)).

**Beginning in 2026-2027**, the CMF is offering more genre flexibility for Eligible Projects that are owned and controlled by individuals who are First Nations, Inuit or Métis by allowing Reality Programming or Lifestyle Programming (including the Documentary subgenres of Lifestyle Programming, Reality (fully contrived), Reality (less contrived), Reality/Lifestyle (Celebrity-based), Lifestyle/Achievement, Lifestyle/Contest, Lifestyle/Travelogue, or Lifestyle/Docusoap Programming) (as defined in section A)#2 in the Documentary Programming section in [Appendix A](#)) for Documentary series, provided the content is related to Indigenous culture<sup>19</sup>.

These measures will be extended to all Linear Content Programs at the predevelopment, development and production stages.

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<sup>19</sup> Indigenous culture includes Indigenous food, dance, language, etc.  
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