

THEATRICAL DISTRIBUTION COMPENSATION PROGRAM

GUIDELINES

EFFECTIVE AS OF SEPTEMBER 12, 2022

Ce document est également disponible en
français

Program Description

The [Canada Arts and Culture Recovery Program](#) (“CACRP”) aims to help Canadian arts, cultural and heritage organizations who are experiencing reduced revenues while dealing with capacity reductions and audiences hesitant to return to in-person activities, due to COVID-19.

Through the Theatrical Distribution Compensation Program (the “**Program**”), Telefilm will distribute a portion of CACRP funds to assist Canadian distribution companies whose business operations have been affected by public health advisories requiring complete theatre closures or reduced capacity, which has impacted their revenues and therefore their financial capacity.

1. Eligibility Criteria¹

Only one application may be filed per group of Related Parties² (“**Corporate Group**”).

To be eligible for funding under this Program, each of the companies included in the application must meet all of the following eligibility criteria:

- i. operate its business as a theatrical feature film distribution company³;
- ii. be a Canadian-controlled corporation as defined in sections 26 to 28 of the *Investment Canada Act*;
- iii. have its head office in Canada and operate in Canada;
- iv. have distributed a minimum of two (2) Canadian feature films* in commercial theatres in Canada between January 1, 2018, and September 1, 2022

For the purposes of this Program, a **Canadian feature film is a fictional or documentary film of **75 minutes or more** that has received **either** a minimum of **6 out of 10 points** from the Canadian Audio-Visual Certification Office (CAVCO) **or** a preliminary or final recommendation by Telefilm as an **audiovisual coproduction governed by a Canadian treaty**.*

- v. its operations have been affected by public health regulations requiring complete closure or reduced capacity of theatres, which has had an impact on its financial capacity;
- vi. intend to remain active in theatrical distribution of feature films in Canada for a minimum of eighteen (18) months following the submission of the funding application to Telefilm.

Note: Theatrical exhibitors are not eligible for this program but may be eligible for CACRP compensation funds under the [Theatrical Exhibition Program](#).

A Corporate Group can only access CACRP compensation funds once, either through this Program or through the [Theatrical Exhibition Program](#). Corporate Groups active in both distribution and exhibition are encouraged to contact Telefilm before applying in order to be directed to the program that best suits their situation.

¹ Public and governmental agencies and Crown corporations are not eligible.

² The term “related parties” means parties that are related as defined by the *CPA Canada Handbook*, as such definition may be amended, supplemented or replaced from time to time, and as such definition may be adapted by Telefilm to the context of the film and television industry.

³ Companies that distribute only feature films that are produced by them or by related parties are not eligible.

2. Terms of Funding

2.1. Funding Amount

Telefilm's funding will be in the form of a **non-repayable contribution** determined on the basis of the highest total annual **box-office receipts** (excluding taxes) **of all eligible companies included in the application between January 1, 2018, and September 1, 2022**, subject to a funding cap per Corporate Group.

The amount of funding and the funding cap per Corporate Group will be determined once the Program closes based on the number of applications received and the availability of funds.

2.2. Eligible Costs

Telefilm's funding must be used to cover eligible costs related to the operations of the eligible companies including, but not limited to:

- ✓ past, present and future core operating expenses required for business continuity (including right acquisition costs), and
- ✓ promotion and marketing costs.

Costs covered by this program cannot be assumed by any other entity or program.

3. Application Process

All applicants must submit an online application through the Dialogue platform and include all documents indicated in the list of required documents available on the Program [webpage](#).

For more information on the Program, please consult the Essential Information Guide available on the Program [webpage](#).

4. General Information

Compliance with these guidelines, while a prerequisite for funding eligibility, does not guarantee access to Telefilm's funds. Telefilm reserves the right to modify its guidelines and application forms from time to time, as required. The implementation of these guidelines and the exceptions thereto are at Telefilm's sole discretion. In all matters relating to the interpretation of these guidelines or the spirit and intent of the Program, Telefilm's interpretation shall prevail.

All information provided, obtained, created or disclosed in connection with the request is subject to the [Access to Information Act](#) and the [Privacy Act](#).

This program is subject to the availability of funds from government and other sources.