

PRODUCTION PROGRAM

ESSENTIAL INFORMATION GUIDE

Effective as of October 18, 2023

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RESOURCE-PERSONS AT TELEFILM CANADA

1. I have read the Guidelines and this Essential Information Guide and have a question. Who do I talk to?

The Telefilm team member you should contact will depend on your question. The contact information for each position and region is listed on the Program [webpage](#).

- **Questions about program eligibility and how to apply to the program:** Contact the coordination team at coordination@telefilm.ca.
- **Questions about the evaluation and decision-making process:** Contact the Regional Feature Film Executive for your region.
- **Questions from Indigenous creators:** Contact the Lead, Indigenous Initiatives.
- **Questions about equity and inclusion:** Contact the Lead, Inclusion Initiatives (English market); Inclusion Initiatives Advisor (French market).
- **Questions about contracting and drawdowns:** if prior to a decision, the deputy director, Business Affairs or the analyst assigned to your file if it is after a positive decision.

2. Do I need to meet with the Telefilm team before I apply?

It is recommended that you contact your Feature Film Executive to discuss your project before submitting your application, especially if you are a first-time applicant or if you have a project that Telefilm is not aware of. The Feature Film Executive may refer you to the Lead, Indigenous Initiatives, Lead, Inclusion Initiatives, or the Inclusion Initiatives Advisor as appropriate. The contact information for these individuals can be found on the Program [webpage](#).

ELIGIBILITY AND APPLICATION PROCESS

3. Who is eligible for the Production Program?

Any production company which meets the Applicant Eligibility criteria is eligible to apply. Eligible applicants do not automatically receive funding.

Further, producers of projects submitted under this program must have relevant audiovisual industry experience.

4. How does Telefilm determine if an applicant is a Canadian-controlled corporation?

Telefilm uses the parameters of the *Investment Canada Act* for the purposes of determining the Canadian control of applicants.

Please note that, a permanent resident within the meaning of subsection 2 (1) of the *Immigration and Refugee Protection Act* who has been ordinarily resident in Canada for more than one year after the time at which they first became eligible to apply for Canadian citizenship is not considered “Canadian” under the *Investment Canada Act*.

5. What are the maximum budgets allowed in the Production Program?

There is no restriction on the maximum size of budgets for film projects submitted to Telefilm. There is, however, a minimum budget level of \$250,000.

6. How do you identify the Main Applicant?

The lead production company must be clearly identified at the time of application for production financing via the *Designation of Main Applicant and Sharing of Performance Ratio Form*. In cases where there is more than one production company involved, Telefilm will not make any assumptions and will rely on the coproducers’ joint declaration of intentions provided at the time of application. Once this designation is confirmed to Telefilm, it cannot be modified.

7. If an applicant is the Canadian coproducer of an audiovisual treaty coproduction, is the project still eligible?

Yes, projects that are recognized as audiovisual treaty coproductions are eligible to apply to the Program but, as for all other projects, are not guaranteed funding.

In the case of audiovisual treaty coproductions, the determination of eligible applicants and eligible projects will be adapted to reflect international treaties and to ensure that the spirit and intent of the production guidelines are respected.

Please note that applications for treaty coproduction recommendations must be filed separately at the earliest of: 40% of the financing confirmed (exclusive of tax credits) or after an offer of financing from Telefilm has been received and, in all cases, no later than 30 days before the start of principal photography (60 days for coproductions with Poland, Hungary or Hong Kong).

8. My project is produced primarily in a language other than French, English or an Indigenous language. Is it eligible under this Program?

Projects produced or completed primarily in a language other than French, English or an Indigenous language due to artistic imperatives are eligible. Telefilm considers that there are artistic imperatives when the story must be told in a specific language for reasons of authenticity, realism and credibility as described in the submitted materials, e.g., the director's vision, script, community engagement plan.

9. The total budget of my project is less than \$3.5M. Do I need a firm commitment from an eligible Canadian distributor for a theatrical release in Canada within one year of delivery for my project to be eligible?

No. You do not need to have a firm commitment from an eligible distributor if your project has a total budget of less than \$3.5M to be eligible under this program. However, if or when you do assign the Canadian distribution rights to a distribution entity, that entity must be an eligible Canadian distributor (as described in the Marketing Program guidelines) in order to access funding under the Marketing Program. In all cases, the distribution entity who has the Canadian rights must be under Canadian control within the meaning of the *Investment Canada Act*, and the distribution agreement must comply with Telefilm's Distribution Terms and Contracts Requirements Policy.

10. How do I know if a distributor is an eligible distributor?

The criteria for an eligible distributor are outlined in the Marketing program guidelines available on Telefilm's [website](#). Please consult with the distributor directly.

11. What is considered a theatrical release?

A theatrical release is the exhibition of the film to the paying public at a commercial theatre. The theatrical release date is the day on which a film is entered into the theatrical distribution system for public viewing in one or more theatres and in one or more cities.

Note: Four-walling is not considered a theatrical release.

12. Do I need to have all my financing sources confirmed when I apply?

It is not necessary to provide commitment letters from all confirmed financial sources at the time of application for the first application period in high budget and in low budget, but the proposed financial structure must be realistic and attainable. As such, applicants must be able to demonstrate the capacity to close the financing within a realistic timeframe in the same fiscal year. (See evaluation section below.)

However, certain opening periods are specifically dedicated to French-language projects whose financial

structure is confirmed at 60% or more. The determination of whether 60% of the financial structure is confirmed takes into account tax credits, and excludes the producer's deferral and investment in excess of producer fees and corporate overhead as well as cast and crew deferrals and investments.

13. What is the self-identification questionnaire, and how does it impact my application?

When the applicant submits the application for a project, all screenwriters, directors, producers t will receive an invitation to complete a self-identification questionnaire.

The questionnaire covers Indigenous identity, racial and ethnic identity, gender identity and expression, belonging to a 2SLGBTQIA+ community, disability status, and belonging to an Official Language Minority Community.

By filling the self-identification questionnaire, participants contribute to a culture that supports all creators, and the industry's progress towards greater diversity goals. Data collected is used strictly in accordance with the consent provided by each individual. The uses include:

- ✓ Validating eligibility to the Indigenous Stream of the Program;
- ✓ Evaluating the creative materials;
- ✓ Reviewing the Community Engagement Plan;
- ✓ Ensuring a balanced portfolio;
- ✓ Improving and evolving Telefilm's programs;
- ✓ Identifying areas to support underrepresented communities;
- ✓ Reporting on Telefilm's project pipeline;
- ✓ Supporting industry initiatives (career development);
- ✓ Promoting talent and their projects;
- ✓ Monitoring, evaluating, performance measurement, and audits.

For more information, please see the [webpage dedicated to data collection](#).

14. What is a material change in the context of the three application limit?

Telefilm considers that the project has had material changes if it is under the control of a new rights holder, who is not a related party to the company who previously submitted it to Telefilm. For other material changes please seek approval from the Feature Film Executive responsible for your market.

EVALUATION

15. How will projects be evaluated once they are submitted?

Projects will be evaluated by advisory committees based on the evaluation criteria outlined in Section 3 of the Program guidelines. Advisory committees may be composed of internal members, external members, or a mix of internal and external members.

Each advisory committee will use an evaluation grid to score the eligible projects and will meet to discuss and recommend a priority ranking of the projects that it considered.

There may be different advisory committees for different portfolios based on considerations such as language markets, budget levels, and regions (See also the Indigenous Stream section below).

External advisory committee members are film industry experts with the necessary expertise and experience to assess the strength and quality of the applications according to the evaluation criteria. The choice of external advisory committee members takes into account regional and cultural diversity as well as gender parity.

Internal advisory committee members are members of Telefilm's Cultural Portfolio Management team, including National and Regional Feature Film Executives, Content Analysts and Investment Analysts located in Telefilm's offices across the country.

The main factors that Telefilm considers in evaluating projects are:

Creative Elements

- ✓ the creative quality and originality of the script (for Production applications) or the Rough Cut and Completion Proposal (for Post-Production applications), which includes an assessment of premises, story, structure, characters, themes, dialogue, conflict, and world-building, and whether it has the potential to be a film that will achieve its creative intentions;
- ✓ the cinematic potential of the project and the strength of the Director's Vision;
- ✓ additional creative elements such as confirmed or proposed cast and how that may augment other creative elements;
- ✓ the aspects of the creative elements that speak to Canadian experiences and audiences;
- ✓ the level, quality, and nature of the engagement described within the Community Engagement Plan;
- ✓ whether or not the creative materials are creating or perpetuating harm, stereotypes, or false assumptions.

Track Record of the Key Creative Personnel (Producer(s), Director(s) and Screenwriter(s))

- ✓ the relevant experience and level expertise of the Producer(s), Director(s) and Screenwriter(s) relative to the scope of the project and their capacity to execute the creative vision of the project;
- ✓ the past performance of each of the Producer(s), Director(s) and Screenwriter(s) in terms of critical acclaim, audience engagement, visibility, etc.

Project Viability

- ✓ the readiness and overall financial viability of the project, including confirmed and achievable financing and the level of confirmed market interest;
- ✓ the feasibility of the production schedule and production budget vis-à-vis the scope and aspirations of the project;
- ✓ the likelihood that the project can close on the proposed budget with the proposed financing within the same fiscal year.

Cultural Impact and Audience Reach Potential

- ✓ the capacity of the marketing/promotional strategy and the proposed plan to identify, reach, understand and engage the intended audience(s);
- ✓ the potential for the project to reach the intended Canadian audiences via community, festival and/or theatrical releases;
- ✓ the potential of the project to speak to the intended Canadian audiences and communities, to be discoverable and accessible by them, as well as the plans specifically targeted at increasing the diversity of Canadian audiences and the discoverability of the project by those audiences;
- ✓ the project's potential to distinguish itself in the current Canadian feature film landscape;
- ✓ the project's potential for cultural resonance, either within or outside conventional avenues for recognition (e.g., critical reviews, film festival acclaim, adding to representation in content, generating new perspectives and cultural conversations, etc.);
- ✓ for projects with budgets equal or greater than \$3.5 million, the track record and experience of attached distributors, broadcasters, and international sales agents and the potential for strong commercial audience performance in Canada and internationally.

Audiovisual Treaty Coproductions

- ✓ the potential impact of the production including the optimization of the Canadian investments and the leveraging of international financing and resources;

- ✓ the contribution of the project to the building of the capacity and expertise of the Canadian partners;
- ✓ the contribution of the project to increasing the visibility and promotion of the Canadian audiovisual industry in the international marketplace and with international audiences.

Diversity of Voices

The decision-making process takes into consideration Telefilm's objective to foster a diversity of voices in the industry to ensure that Telefilm funds a balanced portfolio of productions reflecting a variety of genres, budgets and company sizes, regions across the country, and different viewpoints.

As part of fostering diversity of voices, Telefilm may prioritize projects whose key creative personnel (i.e., director(s) and/or screenwriter(s) and/or producer(s)) are members of communities supported through its Inclusion Initiatives:

- Indigenous;
- Black people;
- People of Colour;
- 2SLGBTQIA+ individuals;
- Gender-diverse identities and expressions;
- Persons with disabilities;
- Members of Official Language Minority Communities.

Gender parity will continue to be a priority across all programs. Prioritization also considers the intersectionality of identities as a way to better reflect a large spectrum of lived experiences.

Note: Telefilm will rely on the information declared by the members of the key creative team in the self-identification questionnaire submitted with the application. Telefilm does not validate the information submitted by the individuals.

Telefilm acknowledges that terminology is subject to change and evolving language will be part of the ongoing and inclusive dialogue with the industry. For the definitions of the terms used above and for more information on Telefilm's data collection initiative, please see the [webpage dedicated to data collection](#).

16. Who does Telefilm consider a member of the Key Creative Team?

All individuals in the role of Screenwriter, Co-Screenwriter, Director, Co-Director, Producer, Coproducer and Executive Producer who is not receiving a courtesy credit are considered part of the key creative team.

17. How will the advisory committees rank and score the applications?

The applications will be evaluated and ranked based on the evaluation grids available on the Program [webpage](#). There may be different evaluation grids for different categories of projects. Each evaluation grid has a maximum score for each criterion which is appropriate to the realities and norms for that particular category of projects. Advisory committees will review the applications using the evaluation grids and assign a score for each criterion. External advisors may only evaluate and score the applications in part. The projects will then be ranked based on the average score.

As part of the process, a portfolio balancing exercise will be performed to ensure that Telefilm is meeting its objective to foster a diversity of voices in the industry, ensuring Telefilm funds a balanced portfolio of productions reflecting a variety of genres, budget and company sizes, regions across the country, and different viewpoints.

18. What should be included in the Director's vision?

The Director's vision is the Director's particular take on the project. Every Director's vision statement is different, although a more visually dynamic document is often useful. The Director's vision often includes (but is not limited to):

- ✓ A personal statement from the Director which discusses their connection to the material, and their motivations for making the film, and their perspective on the subject matter;
 - ✓ Notes on their unique approach to cinematic elements which will elevate the film beyond what can be understood in the script;
 - ✓ Discussion of any unique processes that may be important to the film's execution (e.g., non-traditional casting, shooting during certain times of day, etc.);
 - ✓ The artistic imperatives dictating the choice of language, if the project is primarily in a language other than French, English or an Indigenous language.
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19. What should be included in the Previous Works document?

The Previous Work should include links to relevant works of the Director(s) and Co-Director(s) (as applicable) that will help in the evaluation of the project at hand. Note that the advisory committee may not watch every work in its entirety but may review a portion of the works. The team may also include a link to a curation of excerpts (up to 10 minutes) from relevant works by the Director(s), demonstrating the director's ability to realize elements of the current proposal, however, this is not mandatory.

The links should all be submitted in one document clearly indicating the project title, format and length and the password (if applicable).

20. What is the expectation in terms of the experience level and track record of the Key Creative Personnel?

It is expected that the Key Creative Personnel (Producer(s), Screenwriter(s) and Director(s)) have the experience to carry out both the creative and business aspects of the project. The Producer or producing team must meet the minimum eligibility requirements in terms of relevant industry experience and should have relevant experience delivering projects of a similar scope. As the project budget level increases, the expectation is that experience is commensurate.

21. What is a Community Engagement Plan and what should be in it?

A Community Engagement Plan is required for all projects.

Telefilm wants to see that the team has considered the potential impact of their production and that they have a plan to work in ways that are collaborative and respectful of impacted communities. The plan is where applicants highlight their approach and may also be an opportunity to discuss the identity and lived experiences of the key creative team where it is relevant to the project. It also helps to address questions that advisory committee members may have about the team's approach to the content and its potential impacts.

Good intentions don't always mean there is no impact. To be intentionally aware of the impact is to minimize harm, challenge stereotypes and uplift underrepresented groups. Teams are expected to be responsible for the impact of their work and to consider:

- how the film is made and the process behind it
- how the film impacts and is received by those with relevant lived experience
- how the film impacts society and societal views broadly.

The process for accurate cultural depictions and authentic storytelling may include collaboration with those with the relevant lived experience at all stages of the project while recognizing that no one can speak on behalf of an entire culture or underrepresented group. True engagement is more than a checkbox or tokenizing a single person or experience and requires thoughtful collaboration. To minimize barriers that show up in representation and collaboration, it's important to also know and consider historical injustice and current social barriers that underrepresented groups experience. For more information on Authentic Storytelling, please visit Telefilm's [webpage](#).

Appropriate engagement varies by project. It will depend on the content of the film, the knowledge of the team, and the territories and communities being represented on-screen, as well as territories where the film is shooting. All phases of a project present an opportunity for engagement. Applicants may outline plans including, but not limited to:

- Research practices;
- How sensitive content is treated in the script and how it will be handled while filming;
- Engaging appropriate and specialized expertise, including (but not limited to): hiring advisors, on-set

counsellors, local crew and crew-hiring organizations, cultural knowledge keepers, etc.;

- Engaging appropriately with local communities, organizations, and/or businesses;
- Involving community members in their creative team and entering into written agreements when appropriate;
- Compensating all roles, including trainees, appropriately.

The details of the plan will depend entirely on the specific needs of the project, the communities involved, and what the filmmakers deem is appropriate for their project.

Filmmaking teams are encouraged to consult resources like *On-Screen protocols & Pathways: A Media Production Guide* for guidance on working with First Nations, Métis, and Inuit communities and *Being Seen: Directives for Creating Authentic and Inclusive Content*.

For projects submitted to the Indigenous Stream and/or having Indigenous content, applicants are encouraged to add information about the Indigenous identities of the team as described in question 29 below.

For further information, applicants may contact their Feature Film Executive, the Lead, Indigenous Initiatives, the Lead, Inclusion Initiatives, or the Inclusion Initiatives Advisor.

22. What information should I include in the sustainability plan? Will it be considered in the evaluation of my application?

A Sustainability Plan is now required for applicants selected for all production funding programs prior to principal photography. **The easy-to-use required Sustainability Plan template** is available on Telefilm's [website](#). The template, with prompts and suggestions, will facilitate planning, as well as help inform Telefilm's tracking of current sustainable practices.

The Sustainability Plan template, which complements the [updated production budget](#) model, is designed to encourage production teams to think about their production's environmental impacts, raise awareness of challenges and solutions, and help implement responsible practices. Submitted Sustainability Plans do not factor into a project's assessment.

For optimal planning and team onboarding, it is recommended that the sustainability plan template be completed **at least 3 to 6 weeks before production starts**. Tools and resources can be found on **Telefilm's [Environmental Sustainability webpage](#)**.

A Sustainability Plan is an optional document at the application stage, for development and all production programs. [Please use the template that is now available.](#)

23. What is the new carbon footprint report deliverable for Telefilm’s pilot initiative?

The use of a carbon calculator is now mandatory for productions with budgets of \$3.5 million or higher that are selected for our production funding programs. The applicants receiving funding are required to submit their carbon footprint report as a deliverable.

Applicants in this budget category will indicate in their Sustainability Plan, submitted prior to principal photography, which calculator will be used. They can choose whichever calculator tool they prefer (see list of calculators on our [Sustainability webpage](#), under Tools and Resources). A final carbon footprint report will be required at the Final Costs stage. Telefilm will help provide training and guidance for productions who require it. Like the Sustainability Plan, the carbon footprint report does not factor in a project’s assessment.

The collecting of this data from Canadian big budget films is a knowledge sharing opportunity to help us better understand the existing sustainability challenges, as well as facilitate identifying opportunities to improve our environmentally responsible practices. As a responsible investor, committed to an inclusive and sustainable ecosystem, Telefilm supports best practices in production.

24. I want to request a Telefilm amount greater than the financing cap indicated in the Program guidelines. What will Telefilm take into consideration in my request?

Telefilm may, in its discretion, and subject to availability of funds, exceed the cap for projects with production budgets of less than \$3.5 million. The project must demonstrate a financial need (including but not limited to remote shoot location, specific creative vision costs, etc.). Nevertheless, the total financial participation of Telefilm shall not exceed 49% of the eligible Canadian production costs.

Note: For projects with budgets greater than \$3.5 million, the financial cap cannot be exceeded.

INDIGENOUS STREAM

25. I am an Indigenous filmmaker and want to apply for funding for my project. Is there someone I can reach out to with my questions?

Telefilm has a [webpage](#) dedicated to Indigenous initiatives which includes information about Telefilm’s commitment to supporting Indigenous filmmakers, as well as the Indigenous funding available, the application and decision-making processes, and links to helpful guides and tools.

The Lead, Indigenous Initiatives is your liaison with Telefilm and is available to discuss your application strategy and other issues.

Note: The application materials must be submitted exclusively in one language, either in English or French.

26. What does Telefilm consider in its review of “creative, financial and distribution control” of projects submitted to the Indigenous Stream of the program?

In its review, Telefilm will consider elements such as the decision-making authority and creative control as documented in coproduction agreements, budget remuneration, revenue sharing, performance ratio sharing, chain of title, etc. Telefilm recognizes that every project is different, and control may manifest in different ways depending on the Indigenous team members' expertise and roles. The intent is to support companies that are controlled by Indigenous people who are meaningfully involved in all relevant decision-making related to the creative, financial and distribution elements of the project.

27. If I am applying to the Indigenous Stream with a project with a global budget greater than \$3.5 million, do I need to have an eligible Canadian distributor attached?

On a case-by-case basis, Telefilm reserves the right to accept a firm written commitment from a non-eligible Canadian distribution company.

28. How will Indigenous projects be evaluated?

Indigenous projects will be assessed by an advisory committee comprised of internal and external Indigenous industry experts who will make recommendations to Telefilm. In its assessment, the advisory committee will take into account Telefilm's objective to foster a diversity of voices, ensuring Telefilm funds a balanced portfolio of productions reflecting a variety of genres, budget and company sizes, regions across the country, and different viewpoints as well as a balance of Indigenous nations and Indigenous languages.

All projects will be evaluated based on the evaluation criteria set out in Telefilm's Production Program's guidelines. The objectives of narrative sovereignty outlined in the On-Screen Pathways and Protocols: A Media Production Guide will also be a factor in the consideration of all Indigenous projects and content, including projects submitted to the main stream of the Program.

29. How is Telefilm assessing Indigenous identity?

All members of the key creative team of each project submitted under the Program will be asked to complete a self-identification questionnaire at application submission.

Indigenous creatives should know and be able to articulate their relation and connection to their Indigenous identity. The applicant may want to include a short introduction of the key creative personnel and their identities in the Community Engagement Plan. We do not expect private information about the key creative team members to be provided that might cause them harm. Furthermore, all personal information must be provided only with prior consent of the individuals concerned.

Telefilm reserves the right to request additional information.

If you have questions, please contact the Lead, Indigenous Initiatives.

30. What is considered a remote location for the purposes of Remote Location funding?

A remote location is generally defined as a location 350 km or more from a city with an active film industry, or any region where production expenses are expected to be significantly higher as a result of that location's remoteness.

The advisory committee may recommend additional funding for Indigenous projects being shot in a remote location when the production expenses are higher due to the remoteness of the region and the additional funding is considered essential to the success of the project.

Note: Only projects submitted under the Indigenous Stream are eligible for this additional funding.

Teams will be expected to submit a Remote Location Plan including a budget (whose expenses will be included and reported in the main Production budget) and a summary of the remote location elements and why it is necessary for the project. For recommended projects, a report on the Remote Location Plan will be required at the time of the final cost report submission.

Note: The advisory committee may recommend the project for production funding but not Remote Location funding.

31. I am interested in applying for Capacity-Building funding. What should my proposal include?

Telefilm recognizes the need to support Indigenous filmmakers in the growth of new Indigenous talent and therefore, applicants may submit proposals for projects that have a Capacity Building element and will use the production of their film to train, mentor, and otherwise develop Indigenous production talent.

Note: Only projects submitted under the Indigenous Stream are eligible for this additional funding. Applicants must be able to demonstrate the training/mentoring efforts put in place on the project, the additional costs incurred for the capacity-building efforts and the measurable outcomes.

A Capacity Building Plan must be submitted including a budget (whose expenses will be included and reported in the main Production budget) and a summary of the proposal including but not limited to training/mentoring approaches and objectives, positions being mentored, mentors and mentees, etc. The request for these costs may not exceed \$100,000. For recommended projects, a report on the plan and outcomes will be required at the time of the final cost report submission.

Note: the advisory committee may recommend the project for production funding but not Capacity-Building funding.

32. Is it possible to request additional funding for both Remote Location and for Capacity-Building for the same project?

Yes. The project must be recommended for production financing support, to be considered for Remote Location and/or Capacity-Building support. Each request will be considered separately, and the applicant may receive support for only one or the other proposals. In the event that both proposals are recommended, the cumulative additional funding cannot exceed \$100,000 and the total financial participation of Telefilm shall not exceed 49% of the eligible Canadian production costs, including the production funding for the project. The amounts requested for Remote Location and/or capacity-building should be included in the total amount requested from Telefilm (i.e., these amounts should not be indicated separately in the financial structure at the time of application).

CONTRACTING

33. I have received an offer of financing. What happens next?

The Business Affairs team will work with you to translate this offer into a firm contractual commitment. It is your responsibility to review all the conditions to commitment in the decision letter. We strongly suggest you review each of them with the investment analyst assigned to your file to make sure you understand all the requirements. Pay special attention to the expiry date: if all conditions to commitment are not met by that date, the financing that has been conditionally reserved for your project could be reallocated without further notice. Any costs incurred before contracting is at your own risk.

34. What happens if I don't proceed to production by the date specified in my Telefilm agreement or if I'm unable to fulfill any of the other conditions in my Telefilm agreement?

It is the applicant's responsibility to update Telefilm with any changes to their project. Please contact your investment analyst and Feature Film Executive as soon as possible if there are updates to your project.

Any change in production schedule must be approved in writing by Telefilm which could in its own discretion to withdraw from the project on the basis of a material change in the timing. Moreover, any project that has not started principal photography within 18 months of the signature of the initial financing agreement with Telefilm could without further notice see the financing contract cancelled and any amounts paid immediately due.