

MINIMUM REQUIREMENTS FOR LEGAL OPINIONS ON THE CHAIN OF TITLE

In the context of its funding programs, Telefilm Canada may require a legal opinion from the applicant on the project's chain of title before setting up the funding agreement. It may be the case where the project is a film adaptation of a work that has already been published or produced, where the project is a film adaptation of a work based on the life of a real person or where the project is an international coproduction.

However, Telefilm reserves the rights to request an opinion for any reason not listed above and that it considers relevant as well as to request any additional information beyond the present requirements.

The present requirements are set out herein solely for the specific verification purposes of Telefilm alone.

The opinion, when required, must:

- i. Have been prepared by a lawyer who is independent of the applicant, i.e., who is not an employee or a related party¹ of the applicant.
- ii. Be addressed to Telefilm.
- iii. Include a statement to the effect that the lawyer states that she or he understands and accepts that Telefilm is relying on the opinion in its assessment of the project.
- iv. Include a statement to the effect that the chain of title is free of any irregularities.
- v. Establish that the applicant (and the co-applicant, if applicable), holds (or hold) and controls (or control) all the rights necessary to produce, distribute, market and promote the Project and derive the revenues therefrom throughout the world, in all manners and in all languages, and via all media of communication for the entire duration of the copyrights relating to the project (the "**Exploitation Rights**"). Without limiting the generality of the foregoing, the Exploitation Rights allow the fulfillment of the requirements contained in the applicable guidelines, including (without limitation) encoding, subtitling in English or French and the availability of the Project in video description.
If the parameters of the exploitation of the project do not meet those required by Telefilm, the lawyer shall specify the territories, duration (term) and other applicable parameters (Note: in which case, it is possible the project will not, or will no longer, be eligible).
- vi. If the project is based on true events or on the life of a real person, it shall be acknowledged that the project is based on true events or on the life of a real person and it shall be represented and warranted that the project does not constitute defamation or a breach of the privacy rights or image rights of any person. The opinion must, among other things (without limitation), warrant that any consents have been obtained from any recognizable and/or identifiable person, his or her assigns and entourage if applicable.
- vii. In the case of a film adaptation of a work that has already been published or produced, it shall be acknowledged that the project is based on a pre-existing work, and it shall be represented and warranted that the applicant (and the co-applicant, if applicable) holds (or hold) all of the Exploitation Rights. Without limiting the generality of the foregoing, it is warranted that no rights or interests of rights holders in the pre-existing work or elements thereof, including (without limitation) publishers,

¹ Within the meaning of the *CPA Canada Handbook*, as this definition may be amended, completed or replaced from time to time by Telefilm in the context of the audiovisual industry.

authors and producers, are or will be an obstacle to the exercise of the Exploitation Rights by the applicant (and the co-applicant if applicable).

- viii. The opinion must list all documents on which the opinion is based, including the title of each document, the parties and the date of signature.

Important: The opinion shall not include any reservation or contradiction in respect of the rights attested as being held by the applicant (and the co-applicant if applicable) pursuant to the due diligence conducted by the lawyer.