

## FAQs

### Development Program 2017-2018

**1. Are the eligibility criteria for projects submitted for funding under this program the same as the criteria for projects examined to determine applicant eligibility?**

No. There are several differences between these two types of projects including:

#### Canadian content

- **The project submitted for funding** must be intended to either:
  - a) achieve a minimum of 8/10 (or 80%) on the Canadian Audio-Visual Certification Office (CAVCO) scale, or
  - b) be recognized as an audiovisual treaty coproduction by the Minister of Canadian Heritage.
- **The project examined to determine applicant eligibility** must:
  - a) have been produced in the last five years and have achieved a minimum of 6/10 (or 60%) on the CAVCO scale, or been recognized as an audiovisual treaty coproduction by the Minister of Canadian Heritage; or
  - b) have been funded by Telefilm as part of the micro-budget production Program and distributed in theaters or on one or more digital platforms in Canada over the last five years.

#### Financial and creative control

- **The project submitted for funding:** must be under the financial and creative control of the applicant, who must hold for at least 24 months all of the exclusive rights and options necessary for the adaptation of the original work or concept (if applicable) and for the full and complete worldwide exploitation of the script and production.
- **The project examined to determine applicant eligibility :** the applicant must have at least a 20% share in the score of the project examined to ensure the applicant's eligibility or have produced a project financed under the micro-budget production program;

#### Canadian citizenship

- **The project submitted for funding:** Key members of the development team of the project must be Canadian citizens as defined by the [Citizenship Act](#), or permanent residents of Canada, as defined by the [Immigration and Refugee Protection Act](#).

- **The project examined to determine applicant eligibility:** there is no such requirement for projects examined to determine applicant eligibility.

## 2. **What is the cutoff date for the ‘produced in the last five years’ criteria?**

In order to be deemed eligible, an applicant must have produced a film whose initial Canadian theatrical release (as evidenced by the Motion Picture Theatre Association of Canada [MPTAC]), or on digital platforms for micro-budget productions<sup>1</sup>, occurred no earlier than five years prior to Telefilm’s current fiscal year<sup>2</sup>.

For example, if an applicant files an application for funding for the fiscal year 2017-2018, the applicant must have produced a film, the first of which is released in theaters (or on digital platforms in the case of micro-budget productions) in Canada is no earlier than January 1, 2012.

## 3. **What is meant by ‘produced’?**

In order to be considered, the lead producer of the applicant company must have received one of the following production credits on such film: Producer, Executive Producer.

## 4. **Why do my production credits have to be on Canadian films?**

The program is intended for Canadian production companies involved in the production of feature films in Canada. As Canada is a distinct market, Telefilm considers the applicant’s Canadian film credits to be the best indicator of the potential for future success.

## 5. **How is a film’s score calculated?**

A film’s score (taking into consideration the reference period starting January 1, 2012) is calculated by adding the components described below:

### **COMMERCIAL COMPONENTS M a x i m u m 60 points**

- **Maximum 40 points** > Box-office receipts according to MPTAC<sup>3</sup>
- **Maximum 10 points** > Gross domestic sales excluding box office (for films financed in production by Telefilm only)
- **Maximum 10 points** > Gross international sales (for films financed in production by Telefilm only)

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<sup>1</sup> Telefilm reserves the right to determine if the scope of a release of a project on digital platforms is sufficient for the purposes of eligibility for the program.

<sup>2</sup> Telefilm Canada’s fiscal year runs from April 1 to March 30.

<sup>3</sup> There is no minimum box office threshold in terms of eligibility. However, if the film achieves less than \$10,000, the film will score zero points under this box office portion of the score.

**CULTURAL COMPONENTS M a x i m u m 30 points**

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- **Maximum 10 points** > Selections at certain international festivals and events
- **Maximum 10 points** > Prizes received at certain international festivals and events
- **Maximum 10 points** > Certain awards won at national competitive events and festivals

**6. How is a film's score shared among coproducers?**

As outlined in question 7 below, Telefilm will now pro-rate each film's score by the agreed upon share, and the accumulated pro-rated score(s) will comprise each coproducers 'total score.'

The agreed upon share can be determined in one of two ways:

- (a) By agreement of the coproducers.

Prior to execution of a Telefilm funding agreement, all coproducers must enter into a coproduction agreement that specifically addresses how the score of each film is to be shared<sup>4</sup>, or

- (b) If the coproducers have not agreed on a percentage share of their film's score, by reference to the existing copyright share in place.

For Telefilm productions, reference will be made to the copyright share in place at the time of signature of the Telefilm production financing contract. In instances wherein Telefilm did not participate in the financing of the film in question, reference will be made to the copyright share that was in place at commencement of principal photography.

Please note that, once determined (as above), Telefilm will not allow changes to the proration of a film's score for the purposes of the development program or any other Telefilm programs.

**7. How does Telefilm calculate the applicant's total score within the context of the development program?**

The total score is calculated by summing the individual scores of all the films of an applicant, pro-rated by the agreed upon share owned by the applicant company and adding a regional bonus<sup>5</sup> if applicable.

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<sup>4</sup> For productions financed by Telefilm under the production assistance program, applicants are required to submit a Designation of Main Applicant and Sharing of Project Score since November 2016.

<sup>5</sup> In order to address historical regional access, a regional bonus will be applied to any applicant with a head office in any part of Canada that is more than 150 km by the shortest reasonable roadway route from Toronto or Montreal. Telefilm may adjust the amount of the regional bonus from year to year.

Example:	Film	Film Score	% Of Agreed Upon Share	Applicant Pro-rated Score
	Film 1	20	60%	12
	Film 2	15	100%	15
	Film 3	10	20%	2
			Applicant Total Score:	29

**8. How does Telefilm convert the applicant’s total score into eligible amounts for the development program?**

Telefilm’s available resources set aside for development are divided by the sum of total scores obtained for all eligible production companies. The result of this division gives an amount per point which is then used to convert points into eligible dollars. The eligible amount is rounded to the nearest \$5,000. In order to ensure adequate access for all regions of the country, one third of the available resources will be set aside for applicants with activities mostly (but not necessarily exclusively) in the French language<sup>6</sup>. Applicants with activities mostly in English will share the remaining two thirds of available resources.

**9. Is there a maximum and a minimum amount that can be accessed?**

The maximum amount for the program is \$100,000 for the English-language market and \$150,000 for the French-language market<sup>7</sup>. The minimum is \$15,000 in both linguistic markets.

**10. Will I be able to confirm the maximum amount of financing I am eligible for prior to submitting an application?**

Yes. The maximum amount of financing for which an applicant for regular (automatic) funding is eligible is determined by the total score of the applicant, and each such applicant will be notified by Telefilm of the amount through the applicant’s Dialogue account upon the opening of the program.

<sup>6</sup> Telefilm will assess the language of activity of the applicant by looking at the production language of films released within the five year reference period. In the event that the number of films is the same in each language, the amount invested by Telefilm will determine the main language of activity of the applicant.

<sup>7</sup> With the exception of Fast Track companies which may access a maximum of \$200,000.

**11. Will there be an opening and a closing date to submit applications?**

Yes, please refer to Telefilm's website for the applicable opening and closing dates for this program.

Please also note that a Dialogue account is mandatory to submit an application.

**12. Am I assured to receive the level of financing that I am eligible for?**

Yes (subject to compliance with the guidelines, the list of eligible costs and submission of the portfolio application by the closing date), the amount attributed by Telefilm to the regular (automatic) applicant will be the amount of funding available.

Telefilm aims to render funding decisions for targeted group projects (and those portfolio applications comprising both regular (automatic) and targeted group projects) within 6 to 8 weeks. Targeted group amounts will be subject to the availability of funds.

Portfolio applications comprising regular (automatic) and targeted group projects will be processed under a single portfolio contract.

**13. If I am not informed by Telefilm that I am eligible to a certain funding amount at the commencement of the program, will I nevertheless have a further opportunity to obtain funding?**

Provided the fund is not over-subscribed and Telefilm has determined its overall portfolio is not sufficiently diversified, Telefilm will open a selective round of funding to eligible applicants who had not obtained a point at the commencement of the program. Telefilm will, for projects of equal quality, prioritize projects whose key creatives (director and/or writer and/or producer) reflect the diversity of the country in terms of gender, Indigenous communities or cultural diversity.

**14. I am a member of a 'targeted group'. Am I eligible to apply? If not, do I need to cede a portion of my ownership to the applicant?**

Eligible applicants are those that meet the eligibility criteria set out in Section 1.1 of the guidelines. However, a member of a targeted group who is not eligible to apply on his/her own may engage in a mentorship arrangement with an eligible applicant, which would then allow the project to qualify for consideration **as part of the applicant's portfolio at the first round of funding.**

For greater clarity, projects originating solely from eligible applicants selected for the first round of funding for the Program cannot be submitted to receive funding for targeted groups, with the exception of projects originating from the targeted group of women.

Projects that qualify for funding for the targeted groups must be the subject of a mentoring agreement between the eligible applicant and a targeted group production company that is (i) not an eligible applicant within the meaning of the guidelines from the Program; Or (ii) was not selected for the first round of funding of the Program<sup>8</sup>.

This agreement must be outlined in a written agreement to be provided upon application to Telefilm and contain, at a minimum, the terms governing the

- obligations and responsibilities of each party;
- ownership of the rights (must reside with either the eligible applicant, the member of a targeted group, or a combination of the two);
- creative and financial control;
- the payments to be made to each party from the project budget(s) (for eg. producer fees and overhead, scriptwriting);

and a representation and warranty from targeted group producer(s) that the targeted group producer(s) and writer(s) meet the eligibility criteria set out in the guidelines.

Telefilm's financing agreement will however be entered into solely with the eligible applicant, even for the project from a targeted group.

An eligible applicant seeking to mentor a member of a targeted group does not need to be a part of the same or any other targeted group.

## **15. Can my portfolio include a mix of French-and English-language projects?**

Portfolios may contain a mix of French and English-language projects. However, the majority language of the submitted portfolio will determine whether it is assessed in the French or the English funding stream.

## **16. Does a film have to be intended for theatrical release?**

Yes. In order to be considered eligible for development support, a film must be intended to

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<sup>8</sup> This requirement does not apply to projects originating solely from eligible applicants that are submitted for funding under the targeted group of women.

also be eligible for production support under the CFFF Production Assistance Program or the Theatrical Documentary Program

**17. If my portfolio is funded, what percentage of the eligible costs will Telefilm contribute?**

Telefilm will contribute the lesser of:

- the maximum amount of financing your company is eligible for;
- 80% of the eligible costs of each project;
- a lesser amount based on availability of funds or at the discretion of Telefilm.

**18. Does Telefilm fund eligible costs incurred prior to submission of the funding application?**

Yes. Costs incurred since January 1<sup>st</sup> of the current year of the funding application may be funded by Telefilm. For example, if a funding application is filed on July 5<sup>th</sup>, 2017, eligible costs incurred since January 1<sup>st</sup>, 2017 may be funded by Telefilm.

**19. Is there a maximum number of applications I can file within the submission period?**

Applicants may submit only one portfolio application per fiscal year.

**20. Does every project in the portfolio need to be completed and delivered before I can apply again?**

Applicants having an uncompleted development project under contract with Telefilm may not submit another application for the same project nor include it in a new portfolio submission. However, the entire portfolio does not have to be completed before applying for an additional phase of a previously funded project.

**21. I wish to apply for multi-phase funding. Is that possible?**

Yes. However, you must be able to demonstrate that the phases can be completed within the term of your option agreement.

**22. May I along the way, decide to redistribute the amounts allocated to each project within my portfolio, within the eligible costs limit? Or may I substitute a project with another one that has come up?**

No, to ensure an efficient and timely process, changes to the portfolio are not allowed after an application is submitted.

**23. If I act as mentor to one of the targeted groups, who will be the signatory of the Telefilm agreement for that particular project?**

The eligible applicant, in this case the mentor, will be the signatory of the Telefilm agreement and will be solely responsible for fulfilling the obligations under the agreement.

**24. What is the eligibility requirement for writers attached to a portfolio?**

The eligibility requirements listed in the guidelines apply only to producers. A producer is free to engage whomever he/she wishes as a writer as long as the writer is Canadian. The primary focus of this program is to support feature film talent, however the producer may choose to work with an experienced and successful writer from other media.

**25. What is the “packaging” phase of a project?**

The packaging stage involves subsequent drafts of a screenplay and the inclusion of market elements, such as the commitment of a director and a distributor, the development of a business and financing plan as well as a preliminary theatrical marketing plan, including target audience(s), commercial potential and a preliminary theatrical release strategy.

**26. Can I apply for development funding for the packaging phase if I am applying for a lower budget production?**

Packaging funding is only available for production budgets equal to or greater than \$2.5 million.

**27. What is the difference between Telefilm’s Success Index and the track record or success score of the applicant?**

The *Success Index* is a benchmark that has been established to measure the overall performance of the entirety of the projects Telefilm finances. The Index is calculated yearly and takes into consideration commercial (box office and other sales), cultural (nominations and awards), and industrial measures (private sector and international financial contribution). Some of these attributes are also used to assess the quantitative part (score) of the track record of the applicants, which is based on the scores of the feature films they have produced (and released) over the last five years.

**28. What rights must I hold in the films in my portfolio?**



With respect to the portfolio submitted, the film(s) must be under the financial and creative control of the applicant, who must hold for at least 24 months all of the exclusive rights and options necessary for the adaptation of the original work or concept (if applicable) and for the full and complete worldwide exploitation of the script and production (appropriate exceptions for projects structured as audiovisual treaty coproductions).

Exception: With respect to ‘targeted group’ submissions, the applicant must enter into a suitable mentorship arrangement with the member of the targeted group.