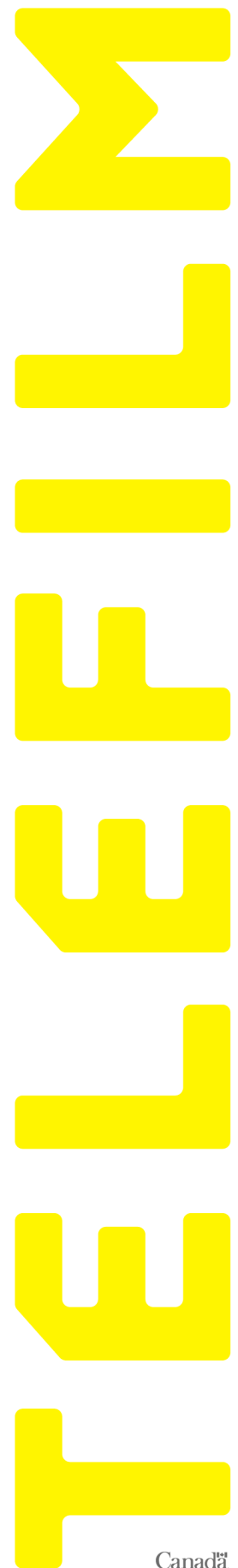


INNOVATION PROGRAM

INNOVATE. STRENGTHEN. EXPORT.

GUIDELINES
APPLICABLE AS OF JANUARY 30, 2019.



1. CONTEXT

The Innovation Program (the “Program”) is aimed at supporting innovative projects that meet Telefilm Canada’s (“Telefilm”) strategic objectives and are not covered by its existing programs.

Ultimately, this Program should enable Telefilm to adjust its regular programs by incorporating different aspects, drawn from projects financed by this Program that have shown the greatest success, into those regular programs.

It is important to note that the purpose of this Program is not to serve as a process for reviewing decisions made under Telefilm’s regular programs. Thus, projects meeting the eligibility criteria of Telefilm’s regular programs, but having received a negative decision, cannot be resubmitted under this Program.

2. ELIGIBILITY

2.1. Eligible applicants

Eligible applicants must meet the following criteria:

- Be a company operating actively in the Canadian audiovisual industry;
- Be a Canadian-controlled corporation as defined in the [Investment Canada Act](#), having its head office in Canada;
- Be able to demonstrate that it has the necessary expertise to successfully complete the proposed project;
- Be financially stable.

2.2. Eligible projects

Eligible projects are projects that are innovative and not covered by Telefilm’s existing programs. They may take different forms, but must all have the purpose of enabling Telefilm to achieve its overall objective of stimulating demand for Canadian audiovisual content and access thereto.

This objective may be achieved by projects that, among other things:

- Encourage innovation aimed at reaching audiences for Canadian audiovisual content;
- Use and promote new technologies that represent a strategic interest for Telefilm Canada;¹
- Develop an innovative strategy for promoting, producing, distributing and developing Canadian talent and content;
- Enable the development of relevant success measurements;
- Allow for the diversification of the sources and methods of financing of

¹ Note that the purpose of this Program is not to support the development of softwares, video games or websites.

- Canadian audiovisual productions;
- Propose new business models that support the development of the audiovisual ecosystem.

Eligible projects must have a level of Canadian content that is satisfactory to Telefilm. They are generally not covered by other financing programs specifically intended for the Canadian audiovisual industry. Nevertheless, Telefilm reserves the right to finance projects that may be covered by such programs.

3. EVALUATION

The following are the criteria that will generally be taken into consideration in evaluating projects under this Program:

- The project's ability to achieve Telefilm's strategic objectives;
- The innovative aspects of the project;
- Similar projects supported by Telefilm in the past;
- The project's eligibility for Telefilm's regular programs;
- The applicant's ability, expertise and experience relating to the project submitted;
- The size of the project in relation to the available funding;
- Market interest in the project;
- The degree of financial risk borne by the applicant.

4. FINANCIAL SUPPORT

The amount of Telefilm's funding will vary from one project to another based, among other things, on the budget of the submitted project, the private financing obtained, as well as the scope of the project. In general, Telefilm's financial participation will take the form of a repayable advance not exceeding 49% of the project's budget.

In addition, Telefilm may, at its discretion, impose specific financing conditions on the various projects to take into account the particular characteristics and risk factors of each project.

5. HOW TO APPLY

Applicants wishing to submit an application under this Program should contact Michel Pradier, Director, Project Financing, at the following email address: michel.pradier@telefilm.ca.

Applicants whose projects meet the Program's objectives will subsequently be invited by Telefilm to submit a formal application for financing.

6. GENERAL INFORMATION

Compliance with the Guidelines is a prerequisite to eligibility for financing, but does not guarantee entitlement to Telefilm funds. Telefilm reserves the right to make adjustments to its Guidelines and application forms from time to time as required. Telefilm has full discretion in the application and interpretation of these Guidelines to ensure that its funding is provided to projects that meet the spirit and intent thereof. In all matters relating to the interpretation of these Guidelines or the spirit and intent of the Program, Telefilm's interpretation shall take precedence.

Any information, in any form, provided, obtained, created or communicated in connection with an application is subject to the [Access to Information Act](#) and the [Privacy Act](#).