

ROGERS CABLE NETWORK FUND GUIDELINES 2017

APPLICATION DEADLINES FOR 2017

Wednesday, June 21, 2017

Wednesday, October 4, 2017

ROGERS CABLE NETWORK FUND 2017

Supporting Canada's independent producers

Objectives

Rogers Communications Partnership created the Rogers Cable Network Fund to support the production of cable network programming in Canada.

The Rogers Cable Network Fund has been set up to provide approximately \$5-7 million a year* (based on a percentage of revenues) in equity financing to Canadian independent producers for television programming triggered by a first play in prime time commitment on a Canadian cable network (i.e. a licensed Canadian specialty or premium service).

The Fund will invest up to 20% of the lesser of the total production budget or final cost of eligible projects to a maximum of \$500,000 per project.

The Fund supports the following programming genres: drama; documentaries; children's programming; educational; instructional; performing arts and variety programming. There will be two funding deadlines in 2017.

Eligible Projects

Projects must meet all the following eligibility requirements:

- must have a broadcast length of at least 30 minutes. A package of childrens' programming shorts is eligible if the package is the equivalent of a broadcast length of 30 minutes.
- must have a guaranteed broadcast commitment with a first play in prime time on a Canadian cable channel (i.e. a licensed Canadian specialty, pay television or pay-per-view service) with a fair-market value broadcast license commitment from an English-Language Canadian broadcaster (specialty or conventional) (an exclusive cable channel window is no longer a requirement of this fund) in the case of a series, each episode must have its first play on a Canadian cable channel before it can play on a conventional, over-the-air broadcaster.
- projects released theatrically prior to their cable channel play will not qualify.
- Documentaries, supported by the fund, may secure a limited theatrical release prior to their cable channel first play with the prior approval of Rogers Cable Network Fund.
- must achieve a minimum of six out of ten Canadian content points as outlined by the CRTC in its guidelines "Recognition for Canadian Programs".

- Returning series (funded by the Fund in previous seasons or not) **must** provide audience numbers for the current season on air as well as a list of international sales made to date for all episodes.
- the production company must own all rights (including copyright) and options necessary for the production and its distribution and exploitation in Canada and abroad.
- the production company must retain an ongoing financial interest in the project.
- must fall into one of the following categories: drama; documentaries; children’s programming; educational; instructional; performing arts and variety programming. News, reporting and actualities, or sports programming are not eligible.
- must conform to the Canadian Association of Broadcasters’ *Code of Ethics* and to all programming standards endorsed by the CRTC, including those related to sex-role portrayal and violence.
- **All projects must provide for closed captioning and described video in their budgets. We will require evidence upon completion of production and delivery that closed captioning and described video have been incorporated into all programs financed by the Fund.**

Eligible Applicants

- must be a Canadian-controlled corporation as defined in the tax credit regulations to the *Income Tax Act*, which, further,
 - if part of a corporate group of affiliated or associated companies, must operate and be incorporated separately from the affiliates or associates.
 - must be under the effective control of Canadians, and be situated and operate in Canada.
 - must operate principally as a television, film producer or digital media producer
- Access to the fund is limited to individuals, corporations, partnerships, trusts and joint ventures who are Canadian independent producers. The production company may not be an affiliate of any licensed Canadian Network or programming undertaking, as defined by the CRTC.
- The fund is not available to broadcasters or broadcaster affiliated production companies.
- Co-ventures (as certified by the CRTC) are eligible for funding

Financial Participation

Financial assistance will be awarded as follows:

- a cash equity investment of up to 20% of the lesser of the total production budget or final cost, to a maximum of \$500,000 per project. This investment results in Rogers Cable Network Fund having an undivided copyright ownership interest in the production and the resultant benefits thereof.
- in a co-venture, the cash equity investment shall not exceed 20% of the financial obligation of the Canadian producer partner as per the co-venture agreement to a maximum of \$500,000.
- In an official treaty co-production, the cash investment from the fund shall not exceed 20% of the Canadian portion of the budget as per the co-production agreement to a maximum of \$500,000.

Rogers Cable Network Fund will determine its participation in a project on a case by case basis.

Terms and Conditions

Principal Photography may commence prior to the applicable application deadline; however, in no event shall completion of post-production and delivery of the project, or of any episodes in the case of a series, have taken place before the applicable application deadline.

All Canadian license fees, as well as all broadcaster service and equity arrangements, must be applied towards the cost of production.

A Canadian broadcaster may not obtain an ownership, profit, repayment or recoupment position in the production as a result of its license fee. Any sums paid for an ownership, profit, repayment or recoupment position must be in addition to the broadcaster's licence fee.

The aggregate of Producer Fees plus Corporate overhead may not normally exceed 30% of B+C portions of the budget as per an industry standard budget form.

All budgeted related-party fees and costs must be disclosed to the Rogers Cable Network Fund.

Standard Production Insurance coverage must be in effect prior to the start of principal photography. Application for Producers Errors and Omissions Insurance coverage must have been made prior to the start of principal photography.

If the project is a television series, the application must include all episodes of the same cycle and may not include episodes from any other cycle.

Any contribution from the Rogers Cable Network Fund may not be used, either directly or indirectly, to reduce a broadcaster's license fee commitment to a given project.

Canadian distribution rights to the production must be held by a Canadian company.

The Rogers Cable Network Fund will recoup its investment no less favourably than on a pari passu and pro rata basis with all other equity contributors.

When a distribution advance or revenue guarantee is being provided by a company related to or affiliated with the producer, for the purposes of recoupment Rogers may treat the advance or guarantee in the same manner as an equity contribution, i.e. pro rata and pari passu.

Documents Required

A completed and signed application form must be submitted electronically accompanied by the required documentation. Please see the 2017 Application Form for a listing of the required documentation.

Rogers Cable Network Fund reserves the right to request additional information relating to the production as required and to consult with other financial participants, in order to make its decision.

Evaluation Process

Eligible applications will be assessed through an evaluation of creative, financial and marketing/distribution plans.

Decisions will normally be made within ten to twelve weeks from the application deadline date. ONLY COMPLETE APPLICATIONS WILL BE REVIEWED.

Successful applicants must finalize financing of their projects within 90 days of the date of the commitment from Rogers Cable Network Fund. If all financing is not confirmed within that time, the Fund's commitment may be extended or cancelled at the Fund's discretion.

Producers may only apply twice with the same project, i.e. a maximum of two applications per project.

While there will be no regional envelopes, the Board of Directors will remain cognizant of Canada's diversity of expression and will undertake to consider all of Canada's regions as well as minority language communities in its funding decisions.

All interpretations of these Guidelines and all decisions made by the Board of Directors are at the Board's absolute discretion. All decisions are final and are not subject to appeal.

Factors for Success:

As per CRTC 2016-343 Policy framework for Independent Certified Funds, the following criteria will be considered when determining the potential for success of a program:

Applications for new projects and series renewals:

- producer track record
- international pre-sales / financing
- creative team
- audience appeal in Canada
- international audience appeal
- sales potential
- distribution

Series Renewals:

- audience numbers
- international sales
- social media awareness / media
- awards earned

Administration

Rogers Cable Network Fund is funded by Rogers Communications Partnership and is administered by a federal, not-for-profit corporation incorporated under the *Canada Corporations Act*. The same corporation also separately administers the Rogers Documentary Fund.

Rogers Cable Network Fund operates at arm's length from Rogers Communications Partnership under the governance of an independent Board of Directors. The Board of Directors has sole and exclusive responsibility to make funding decisions and to supervise their implementation. The day-to-day operations of the Rogers Cable Network Fund are overseen by an Executive Director who reports to the Board of Directors. The Fund office is located in Toronto. The Rogers Cable Network Fund is a certified independent Production Fund (CIPF) as determined by the CRTC.

The Board of Directors reserves the right to make changes to the Guidelines and to the application deadline periods at its sole discretion.

Follow Up Reporting

Rogers Cable Network Fund will require successful applicants to submit regular distribution reports relating to their project on a semi-annual basis for the first three years after completion and annually thereafter. All production revenue due to Rogers Cable Network Fund shall be remitted promptly and concurrent with the distribution reports.

Credits

Rogers Cable Network Fund requires an acknowledgment of its support in the programming credits and related promotional and print materials. The credit, shall be the same size and prominence as that given to other investors.

Information

For additional information, please contact:

www.rogersgroupoffunds.com