



ROGERSTM
Cable Network Fund

GUIDELINES 2020

APPLICATION DEADLINES FOR 2020

Wednesday, July 22, 2020

Wednesday, November 4, 2020

ROGERS CABLE NETWORK FUND 2020

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 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 2020.

Eligible Projects

Projects must meet all the following eligibility requirements:

- must have a broadcast length of at least 30 minutes. For documentary, only feature-length documentaries with a minimum length of 70 minutes will be eligible for this fund. Documentaries that are less than 70 minutes will only qualify for the Rogers Documentary Fund.
- Documentary and factual series will qualify for funding.
- must have a broadcast licence agreement for a guaranteed play on an English-language Canadian cable channel (i.e. a licensed Canadian specialty, or premium service). The licence must be at fair market value and include a guarantee that the project will air in prime time within two years of completion. If a program (and all related episodes) premieres on a conventional television channel, it must simultaneously air on a licensed Canadian cable channel.
- projects released theatrically prior to their cable channel play will not qualify.
- documentaries supported by the Fund may secure a theatrical release prior to their cable channel first play with the prior approval of Rogers Cable Network Fund.

- must achieve Canadian content status with a minimum of 6 out of 10 points in accordance with the Canadian content rules as administered by CAVCO/CRTC.
- 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.
- co-ventures (as certified by the CRTC) are eligible for funding.

A maximum of 25% of the Fund's annual allocation may be accessed by broadcaster-affiliated production companies.

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.

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 Producer's 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

All Applicants must submit the following documentation with their application

1. Synopsis of project (maximum one page)
2. Detailed treatment
3. Complete, detailed and dated production budget in industry standard format. Must include closed captioning and described video
4. Financing breakdown and proof of financing already secured
5. Production schedule
6. Detailed marketing strategy
7. Producer statement (max. one page) that includes all of the following:
 - rights already sold to distributors/broadcasters (incl. \$ amounts and term)
 - available rights
 - sales projections
 - distribution plan
 - recoupment expectations – how and when can Rogers expect to recoup its investment?
8. Biographies and filmographies of key personnel
9. Proposed cast and crew lists
10. Resumes of all personnel assuming a point position as set out under CRTC policies for the recognition of Canadian programs
11. Firm letter of commitment from a Canadian broadcaster indicating a cable channel's prime time play (all episodes) and its financial commitment (license fee and any

broadcaster performance envelope commitment), and a guarantee to broadcast the program within 2 years of completion and delivery of production. Letter must confirm that said cable play will take place prior to or simultaneous with any broadcast on a conventional, over-the-air Canadian broadcaster.

12. A list of sales to-date of prior seasons of a series must be included in your application.

13. Description of the Applicant Production Company and its activities

14. For series renewal applications, you must also submit the following:

- audience numbers for prior seasons
- international sales to date
- samples of social media activity, trending
- traditional press earned
- awards
- a list of sales to-date of prior seasons of a series must be included in your application.

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 120 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 Certified Independent Production 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.

Successful Applicants

All successful applicants will be required to submit further documentation to Rogers. This includes but is not limited to:

- Locked budget and financing structure
- List of related-party transactions
- Cash flow
- Cost reports
- Proposed recoupment structure
- All final financing and distribution agreements
- Tax credit certificates (if not available, then opinion letter from an accounting firm + submitted tax credit applications)
- Legal opinion on chain of title
- Liability, production package, and E&O insurance policies naming Rogers Documentary and Cable Network Fund as loss payee/additional insured
- Certificate of Incorporation and corporate info for prodco and parent company(ies)

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 go to: www.rogersgroupoffunds.com