

ROGERS CABLE NETWORK FUND GUIDELINES 2011

APPLICATION DEADLINES FOR 2011:

Wednesday, June 15, 2011

Monday, October 17, 2011



ROGERS CABLE NETWORK FUND 2011

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 \$9 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 2011.

Eligible Projects

Projects must meet all the following eligibility requirements:

- must have a broadcast length of at least 30 minutes. A package of children's programming shorts is eligible if the package is the equivalent of a broadcast length of 30 minutes.
- must have a guaranteed first play in prime time on a Canadian cable channel (of all episodes in the case of a series) (i.e. a licensed Canadian specialty, pay television or pay-per-view service) as well as 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.**)
- projects released theatrically prior to their cable channel play will not qualify.
- must achieve eight out of ten Canadian content points as outlined by the CRTC in its guidelines "Recognition for Canadian Programs".



- 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.
- must be closed-captioned if it contains narrative, dialogue or lyrics.

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 or film producer.
- a production company which beneficially owns more than 10% of a broadcaster, on a fully diluted basis, either directly or indirectly, is ineligible for assistance, if the production is destined for the affiliated broadcaster.
- a production company is not eligible if it is directly or indirectly owned or controlled by a broadcaster, or by the owner of a broadcaster.



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 international treaty co-productions, the cash equity investment shall not exceed 20% of the lesser of the total Canadian portion of the production budget or final costs.

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 Episode One 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.



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 accompanied by the required documentation. Please see the 2011 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 at the Board's discretion or canceled and the funds reallocated to another project.

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

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.

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 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

Please send your complete application package to the following address:

Rogers Documentary and Cable Network Fund
c/o Robin C. Mirsky
Executive Director, Cable Network Fund
333 Bloor Street East, 9th Floor
Toronto, Ontario M4W 1G9

For additional information, please contact Robin Mirsky, Phone (416) 935-2526 or Fax (416) 935-2527.