



## BRITISH COLUMBIA FILM DEVELOPMENT INITIATIVE SLATE DEVELOPMENT FUND GUIDELINES 2007-2008

### WHAT IS THE SLATE DEVELOPMENT FUND?

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British Columbia Film will provide a financing envelope for the development and marketing of a slate of indigenous film and television productions. This is a producer-directed, performance-based program targeted to meet the objectives outlined below.

### OBJECTIVES

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- To support the development and marketing of high quality, commercially viable British Columbia film and television projects;
- To sustain and grow a competitive indigenous film and television industry in British Columbia;
- To enable British Columbia production companies to foster existing and establish new relationships with national and international co-financing partners; and
- To enable British Columbia production companies to secure financing outside the traditional Canadian funding system.

### APPLICANT ELIGIBILITY

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The applicant must meet the following minimum eligibility criteria:

- The applicant is an independent company incorporated in British Columbia or Canada whose primary activity is film and/or television production and whose head office is located in British Columbia. Publicly traded entities are ineligible;
- All or a majority of the issued voting shares are owned and controlled and will continue to be owned and controlled by residents of British Columbia and citizens of Canada or Permanent Residents (A resident must establish that he/she filed income tax as a BC resident and can prove domicile in BC for at least 200 of the 365 days immediately preceding the date of submission of an application for a financing envelope);
- The directors, officers and shareholders (the "Key Personnel") are in good standing with British Columbia Film and are individuals who are BC-based and have direct financial and creative control over the activities of the applicant company;
- These Key Personnel have a proven track record within the Canadian film and television industry demonstrated as follows:
  - a minimum of two years industry experience in producer-related capacities,
  - a minimum of three producer-related credits on projects that each are not less than a broadcast half-hour in length,
  - recent experience representing and promoting film and television projects in the international marketplace, and
  - demonstrated commitment to work professionally within the British Columbia film and television industry;
- At a minimum, the applicant, its parent company or affiliate can demonstrate **either (i) or (ii)** below: *(An 'affiliate' is controlled by and otherwise not at arms-length with the applicant and its parent company.)*

(i) that it has either commenced principal photography or completed and delivered not less than 2 film and/or television productions since January 1, 2005, (the "Recent Productions") with combined total budgets of not less than \$5 million; that it owns 100% of the copyright to these Recent Productions (except in the case of an inter-provincial or international treaty co-production or co-venture where the copyright ownership is as specified in the relevant co-production or co-venture agreements); and that it has entered into licensing agreements with respect to the television



broadcast, theatrical release or other means of commercial exploitation of these Recent Productions;

**OR**

(ii) that it has current financing commitments for the film and televisions productions in its proposed development slate totalling not less than \$500,000. This financing may be in the form of broadcast pre-sales and/or distribution minimum guarantees and/or development advances from a broadcaster(s), distributor(s), or government funding agency (in any combination thereof).

## **ELIGIBLE PROJECTS**

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100% of the worldwide copyright and exploitation rights to projects included in the development slate must be owned and controlled or optioned by the applicant. Exceptions may be granted for:

(a) inter-provincial or international treaty co-productions or co-ventures where it can be demonstrated that the copyright ownership granted to the BC applicant is equal to the BC applicant's financial, technical and creative contribution and control as specified in the relevant co-production or co-venture agreement; or

(b) projects ("Pre-Rights Acquisition Projects" ) for which it can be demonstrated that negotiations for the acquisition of copyright, control and exploitation rights are well advanced and will be concluded in the very near future.

Eligible projects may include:

- Feature films for theatrical release (live action or animated);
- Television movies, pilots, television series and mini-series (live action, animation, factual – including talk shows, game shows, lifestyle, and reality – variety, unscripted drama, and arts & entertainment);
- Documentaries, mockumentaries, and docudramas for television broadcast or theatrical release; and
- Cross platform digital media content.

Productions that contain elements of serious or gratuitous sexual violence or exploitation, obscene, indecent or pornographic content within the meaning of the Criminal Code, or elements which are libelous or in any other way unlawful, are ineligible.

## **FINANCIAL PARTICIPATION**

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Eligible applicants may apply for a development and marketing envelope of up to \$150,000 (the "Envelope") through the Slate Development Fund. Financing will be provided by way of a non-recoupable advance. No funds will be advanced to a successful applicant until British Columbia Film has been provided with satisfactory evidence that any drawdown conditions and performance measures outlined in the successful applicant's Non-Recoupable Advance Agreement with British Columbia Film have been met (see "Advances" below). British Columbia Film reserves the right to commit less than the requested amount.

## **APPLICATION PROCEDURE**

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Application deadline is **Friday February 22, 2008 at 4pm.**

Applicants must submit a completed application cover form (available on the website at [www.bcfilm.bc.ca](http://www.bcfilm.bc.ca)) together with the required support materials and a \$210 application fee (includes GST).

## ASSESSMENT

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British Columbia Film will conduct a detailed and comprehensive evaluation of the application taking into consideration the following:

- **Presentation of submission**
- **Administrative Capacity and Financial Viability of the Applicant** including:
  - ✓ Capability of the applicant to manage and exploit a portfolio of film and/or television projects;
  - ✓ Experience in attracting and facilitating an international co-financing venture;
  - ✓ Financial health and viability based on an analysis of the financial statements of both the applicant and parent company (if applicable);
  - ✓ International marketing experience of the Key Personnel;
  - ✓ Track record including:
    - the volume of Recent Productions by the applicant, its parent company and/or affiliates,
    - the level of private or public commitments to the television broadcast, theatrical release or other means of commercial exploitation of Recent Productions, and
    - the quality and presentation of promotional materials produced with respect to these Recent Productions.
- **Marketability of the Slate** including:
  - ✓ Quality, originality, commercial viability and marketability of the proposed slate of projects;
  - ✓ Development financing commitments and/or broadcast/distribution presales secured to date for the proposed slate of projects; and
  - ✓ Feasibility of the projects to attract additional development financing, production financing, pre-sales, co-venture or co-production partnerships.
- **Feasibility of the 3-year Development and Marketing Plan** including:
  - ✓ The intended use of, direct benefits and potential opportunities derived from access to an Envelope;
  - ✓ How closely the proposed Development and Marketing Plan aligns with the Slate Development Fund program objectives; and
  - ✓ The level of production activity in British Columbia that may result from strategic implementation and successful performance of the three-year Development and Marketing Plan.

Proposals will be reviewed on a competitive basis.

Due to limited available funds, an applicant cannot be guaranteed success even if its application substantially meets the eligibility and assessment criteria. British Columbia Film reserves the right to request clarification or additional information relating to an application and to discuss a project with all parties associated with an application.

## ADVANCES AND RELATED PERFORMANCE MEASURES

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### Initial Advance

An initial advance (“Initial Advance”) of 50% of the Envelope will be paid to the successful applicant upon execution of a Non-recoupable Advance Agreement and evidence that the applicant has met contracted drawdown conditions and performance measures, including the following:

- Delivery of a project-by-project development and marketing budget for the current phase of the applicant’s Development and Marketing Plan and corresponding financing structure(s);
- Evidence of the optioning of underlying properties and successful acquisition of exploitation rights for all projects except for Pre-Rights Acquisition Projects;
- Delivery of copies of all contracts entered into with broadcasters, distributors, sales agents, funding agencies (or other bona fide arm’s length sources) confirming production pre-sales and/or financing commitment(s) with respect to the applicant’s proposed slate of projects; and
- Copies of all co-production and/or co-venture agreements relevant to the proposed slate of projects.

## **Second Advance**

A second advance of the remaining 50% of the Envelope will be provided upon receipt of evidence that the applicant has met contracted drawdown conditions and performance measures, which may include the following:

- Written report outlining the current status of each Production in the Slate. This must demonstrate that the Producer has secured project financing from bona fide arm's length sources at least equal to the Initial Advance (These may represent, across the Slate, a combination of development advances, broadcast pre-sales, distribution or sales agency minimum guarantees and/or other third party private financing);
- A detailed cost report and corresponding financing structure with respect to the Initial Advance; and
- A proposed budget for the Second Advance.

Successful applicants who have not met Second Advance drawdown conditions outlined above may be denied access to the balance of their Envelope.

British Columbia Film acknowledges that the Envelope needs to be flexible to address corporate growth and changing market conditions. Accordingly, after consultation with, and the prior consent of British Columbia Film, projects identified in the Non-recoupable Advance Agreement may change over the term of the contract.

## **PERFORMANCE BONUS**

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Successful applicants who have met the established performance measures may request a 50% increase in the Envelope once the full amount of the original funding commitment has been drawn down. Any increase is at the sole discretion of British Columbia Film and is subject to availability of funds.

## **ELIGIBLE COSTS**

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A full list of Eligible Costs is attached as Schedule "A". Please note that producer fees are not an eligible cost through the Slate Development Fund.

## **ALTERNATE DEVELOPMENT AND MARKETING PROGRAMS**

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British Columbia Film will continue to offer a limited amount of single-project development financing and marketing assistance on an individual basis. Unsuccessful or ineligible applicants for the Slate Development Fund should consult the guidelines for the Project Development Fund, Passport to Markets and Passport to Markets Envelope programs. Applicants that have submitted an application to the Slate Development Fund, may make simultaneous application(s) to the Project Development Fund. These application(s) to the Project Development Fund may be held pending final decisions regarding the Slate Development Fund.