



BRITISH COLUMBIA FILM DEVELOPMENT INITIATIVE PROJECT DEVELOPMENT FUND GUIDELINES 2004-2005

WHAT IS THE PROJECT DEVELOPMENT FUND?

British Columbia Film will provide financing for the development of independent film and television productions on a project-by-project basis. Financing is triggered by a broadcaster or distributor's commitment to advance funds for the development of a specific project. The funds available for this program are limited. Applications will be evaluated on a first come/first served basis.

APPLICANT ELIGIBILITY

The applicant must meet the following minimum eligibility criteria:

- Companies incorporated in British Columbia or Canada whose primary business is in film and/or television production and whose head office is located in British Columbia. A majority of the issued common voting shares must be held by residents of British Columbia and Citizens of Canada (a BC resident will have resided in BC for at least 200 of the 365 days immediately preceding the date of receipt of the application and is able to establish that he/she filed income tax as a BC resident);
- The applicant company may own 10% or less of the shares of a broadcast undertaking and may have 10% or less of its shares owned by a broadcast undertaking or by a distributor;
- Principals, directors, officers and shareholders of the applicant company are in good standing with British Columbia Film;
- 100% of the copyright of the project being developed must be owned and/or controlled by the applicant except in the case of an inter-provincial or international co-productions which may qualify; Approval of funding for an inter-provincial or international co-production is subject to review and approval of the terms of the proposed co-production agreement between the parties;
- Options must be held for a minimum of two years from the date of submission of the application to British Columbia Film; and
- Projects in development must qualify as Canadian content pursuant to CRTC or CAVCO regulations.

Note: Recipients of a Slate Development Fund financing envelope are not eligible to access the Project Development Fund.

ELIGIBLE PROJECTS

Eligible projects may include British Columbia owned and/or controlled:

- Feature films destined for theatrical release (live action or animated);
- Television movies, pilots, television series and mini-series (live action, animation, variety, unscripted drama and performing arts & entertainment); and
- Documentaries, mockumentaries, and docudramas for television broadcast or theatrical release.

A production that contains any 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

Qualifying applicants may apply to British Columbia Film for a total non-recoupable advance of up to 50% of the amount advanced (in cash) for development of a specific project by:

- An arm's length bona fide distribution entity; or
- A licensed public or private broadcast undertaking.

The total funding available to an individual project for fiscal year 2004/05 is capped at \$10,000, except for dramatic or animated television series which is capped at \$20,000. The total development financing available to each applicant (including affiliates) may not exceed \$25,000 in fiscal year 2004/05. The maximum cumulative funding an individual project can receive throughout its development history is \$30,000, except for dramatic or animated television series which is capped at \$50,000.

An agreement with a broadcaster or distributor confirming its commitment to provide a development advance for the project dated April 1, 2004 or later will trigger access to the Project Development Fund. Broadcast or distribution advances must be relevant to the current phase of development.

Funds administered by the Harold Greenberg Fund and COGECO will not trigger access to this Fund.

ADVANCES

An initial advance of 75% of the British Columbia Film commitment will be paid upon execution of the Non-recoupable Development Agreement and satisfaction of any drawdown conditions that apply at the time of execution. The remaining 25% will be advanced upon receipt of satisfactory evidence that the broadcaster or distributor has paid its total commitment to the production company.

Advances are not repayable except upon the default by the contracted Producer or if the rights to the project are assigned, transferred or optioned by a production company which is not majority owned by residents of British Columbia and/or not incorporated within the Province of British Columbia.

ELIGIBLE COSTS

The following eligible costs must be bona fide third party costs directly related to the project in development:

- Acquisition and/or optioning of rights
- Research (fees, materials)
- Writing fees (any proposed non-arm's length writing fees will be approved on a case-by-case basis; in-house writers must have prior experience and relevant credits)
- Applicable fringes
- Script editing or consultation fees
- Script reader fees and workshops
- Character model pack (for animated projects)
- Script breakdown, scheduling and preliminary budget preparation
- Location scouting (pre-production phase only)
- Casting (pre-production phase only)
- Storyboards (pre-production phase only)
- Interviewing or demotaping costs (equipment rental, Director fee, camera operator, etc.)
- Travel:
 - Accommodation – up to \$125 CDN per night (in Canada) or up to \$150 CDN per night (outside Canada)
 - Return airfare based on economy fare
 - Vehicle fuel costs
 - Transportation (rental car, taxi, shuttle bus, ferry)

In addition to the eligible costs above, successful applicants will be permitted to allocate a maximum of 40% of the approved development and marketing budget towards producer fees and industry standard corporate overhead.

Inflated, excessive, and/or unreasonable allocation of expenditures may be deemed ineligible and deducted from the proposed development budget.

APPLICATION PROCEDURE

Applications will be accepted beginning Friday August 27, 2004.

Applicants must submit a completed application form (available on the website at www.bcfilm.bc.ca) together with the required support materials. A \$107 application fee (includes GST) is payable with each submission. Incomplete applications will be returned and, consequently, not assigned a position in the first come/first served queue.

APPLICATION EVALUATION

Adjudication of the request for funding does not include a creative evaluation. A comprehensive review is conducted to determine eligibility and upon verification, the approved recipient is notified in writing of the amount of the development advance awarded and subsequently forwarded a Non-recoupable Development Advance Agreement for execution.