

THEATRICAL EXHIBITION PROGRAM

ESSENTIAL INFORMATION GUIDE

1. Who can apply for this program?

Canadian companies acting as commercial exhibitors that have their head office and operations in Canada are eligible for the Program.

Note: applicants who have received funding under this Program in the past but are not Canadian in accordance with the requirements of the *Investment Canada Act* may still be eligible for funding under this Program. This funding will be determined based on the number of applications received and the availability of funds and may be subject to additional conditions. We invite the applicants concerned to communicate with the contact person whose contact details are available on the Program webpage before applying.

2. When should applications be submitted?

Funding applications must be submitted during the opening period indicated on the Program webpage.

Applications submitted outside of the applicable opening dates will be deemed ineligible.

3. How do I apply?

All applications must be submitted electronically via <u>Dialogue</u>. Applicants who do not have a Dialogue account may create one <u>here</u>. The applicant's name in Dialogue must exactly match the name provided in the corporate documents submitted in support of the funding application.

Once an organization has been created in Dialogue, any member of the organization can submit a request on behalf of the organization or work on existing requests related to the organization.

A task to designate an administrator is automatically sent to the account member when the status of the request is "recommended." If you do not receive the administrator task, please send an email to enr@telefilm.ca.

If you have any questions about registering for Dialogue, please send an email to enr@telefilm.ca.

4. What documents do I need to submit to support my application?

The list of documents required at the time of application is available on the Program webpage.

5. At the time of application, do I have to submit a list of Canadian films that have been screened in my theatres in the past year?

No. Telefilm is aware of the disruption that the COVID-19 pandemic has caused to exhibitors in Canada and their inability, in some cases, to show Canadian films due to extended closures in some parts of the country.

Therefore, the calculation this year of Telefilm's financial participation will not consider the number of Canadian films shown in Corporate Groups' movie theatres. However, applicants will be required to screen at least one Canadian film in each of the Telefilm-funded theatres in the year following receipt of Telefilm funding and to report to Telefilm on the Canadian films shown and the use of the funds.

6. What is a Corporate Group?

A corporate group refers to an applicant and any related party. Parties are related when one party can exercise, directly or indirectly, control, joint control or considerable influence over the other. Two or more parties are related when they are subject to common control, joint control or considerable common influence. Members of management and close relatives are also considered related parties.

For example, if an individual is the majority shareholder of several companies, each of which operates one or more theatres, all these companies are part of the same corporate group and will only be able to benefit from consolidated financial assistance for the entire group, through a single funding contract.

7. I own several theatres. Do I need to submit one application per theatre?

No. A single corporate group can only submit one application. For example, three separately incorporated institutions with the same majority shareholder must apply for funding in one application.

8. How does Telefilm calculate the amount of financial participation for which corporate groups are eligible?

Funding will be calculated based on the number of facilities directly or indirectly controlled by each applicant (i.e. the number of facilities operated in the corporate group as a whole) and the number of applications received, subject to a maximum of \$500,000 per corporate group.

Example 1: If the number of applications received allows for \$30,000 in funding per institution

An eligible corporate group with three locations applies for funding. Telefilm's financial participation will be $3 \times 30,000$, or 90,000.

Example 2: If the number of applications received allows for a funding of \$25,000 per institution

An eligible corporate group with 40 locations across Canada applies for funding. This corporate group will have a financial participation of \$500,000, because although the financial participation per establishment is \$25,000, the maximum financial participation per corporate group remains at \$500,000.

9. What happens if I am not able to present a Canadian film in the next year at each of the Telefilm-supported institutions?

The screening of at least one Canadian film (as defined in the guidelines) in the coming year in each of the Telefilm-funded institutions is an essential condition for Telefilm's financial participation. If this requirement is not met to Telefilm's full satisfaction, the corporate group will be considered in default and will be required to repay Telefilm's financial participation and may be considered ineligible to apply to Telefilm for funding in the future.

If you think that you are unable to meet this requirement, please contact your regional contact person as soon as possible.

10. How will Telefilm's financial participation be paid?

Telefilm's financial participation will be paid by direct deposit into the bank account indicated by the applicant in Telefilm's electronic portal.

11. For what can I use Telefilm's financial participation?

Telefilm financial participation may be used in accordance with the guidelines:

• Promotional expenses for the theatrical release of Canadian films during the upcoming year (for example: costs related to Q&A nights with Canadian directors after film screening, advertising, flyers, posters, or promotional tickets, etc.);

- Expenses related to promotional initiatives aimed at encouraging the return to theatres of Canadian audiences (these costs do not need to be related to Canadian films exclusively);
- Basic operating costs, if needed for business continuity;
- Costs related to sanitary measure improvements in relation with the COVID-19 Pandemic;
- Costs related to digital transformation of the applicant's business model to respond to the digital needs of today.

12. How do I know if a film playing in one or more of my locations is a Canadian film or an international coproduction?

You can consult the non-exhaustive list of Canadian films available on the program webpage. You can also:

- Check with the distributor or programmers of the film;
- Consult the list of productions certified by the Canadian Audio-Visual Certification Office (CAVCO);
- Consult the coproduction directory.