

247 SPADINA AVE - 3RD FLOOR TORONTO, ON M5T 3A8 416.696.2215 | 877.696.2215 GENERAL.INFO@FACTOR.CA WWW.FACTOR.CA

CMF COVID-19 Emergency Support Fund: Phase 2

July 8, 2020 – Toronto, ON *Updated July 20, 2020*

On July 7, 2020, the Department of Canadian Heritage announced the final components of **Phase 2** of the <u>COVID-19 Emergency Support Fund for Cultural, Heritage and Sport Organizations</u>. The Fund is intended to complement the Government of Canada's existing COVID-19 emergency measures by providing additional temporary relief to cultural, heritage and sport organizations facing significant financial losses due to the COVID-19 pandemic.

Phase 2 includes temporary support for Canada's live music industry as well as recording studios and other companies and organizations that did not receive funding under Phase 1. The funds will be delivered through the Canada Music Fund (CMF). FACTOR and Musicaction will administer these resources to the Anglophone and Francophone music communities respectively.

FACTOR will be launching Phase 2 support in two steps. This announcement relates to funding for venues, booking agents, artist managers and for-profit festivals.

In the following days FACTOR will launch the support for recording studios and other music organizations, such as Canadian-owned record labels, music video producers and music publishers that are not recipients of the CMF.

Deadline

The deadline to submit an application for funding under Phase 2 for the live music industry is **Wednesday**, **July 29, 2020 at 11:59 pm Pacific Time**.

Who can apply?

Eligible recipients are Canadian music entrepreneurs and organizations in Canada's live music industry that support the career development of Canadian artists and/or offer musical programming by Canadian artists but do not normally receive funding from the CMF. This includes:

- artist managers;
- booking agents;
- concert promoters;
- for-profit festivals and venues (not-for-profit festivals and venues could also be eligible under certain conditions see the FAQ)

Eligibility criteria

All applicants must meet the following basic eligibility criteria:

- Be an entrepreneur or organization targeted by the Emergency Fund (see the Eligible Recipients section above)
- Entrepreneurs and organizations with revenues of \$ 100,000 or more must have had a profit margin of less than 15 percent in their last fiscal year; and

For managers, booking agents and concert promoters:	For festivals:	For venues:
At least 50% of revenues of their last completed fiscal year generated from eligible music-related activities related to Canadian artists	 At least 50% of the programming in the last edition that were musical performances by Canadian artists Be able to demonstrate that the artists have been remunerated for their performance (agreements/contracts with the artist or another party, cheques, etc.) 	 A minimum of 25% of the programming during the 2019 calendar year was musical performances At least 50% of the musical programming presented during the 2019 calendar year were performances by Canadian artists Have infrastructure for musical performances such as a stage, a sound and lighting system, etc. Be able to demonstrate that the artists have been remunerated for their performance (agreements/contracts with the artist or another party, cheques, etc.)

How will your funding be determined?

Eligible Canadian music entrepreneurs and organizations in the live music sector will be able to access a flat-rate assistance that must not exceed 25% of their needs related to the eligible expenses to **cover** the Canadian portion of their music-related activities (i.e. related to Canadian artists).

How can you use this funding?

The funding will cover the following eligible activities:

- Activities related to the promotion and marketing of Canadian sound recordings.
- Activities related to the touring and showcasing of Canadian artists at home and abroad.
- Activities related to Canadian artist management.

The funding will cover the following eligible expenses:

In addition to the current CMF eligible expenses, the emergency fund will cover the following expenses:

- Salaries and benefits, professional fees as well as artists' fees.
- Administrative expenses.
- Fixed operational costs (rent, electricity, etc.) for a maximum of \$ 10,000.
- Contractual or financial obligations related to touring or other canceled music events.
- Contractual or financial obligations arising from other music related activities (deposits for studio fees, rehearsal spaces, etc.).

How to apply

Email the following documents as attachments in one email to phase2@factor.ca. Save all documents as PDFs. Reference the applicant name in the file name (e.g. Applicant Name Application Form.pdf):

- 1. Completed **Phase 2 Application form** with applicant information and signed attestation:
 - a. Click here for the Venues Attestation Form.
 - b. <u>Click here for the Festivals Attestation Form.</u>
 - c. <u>Click here for the Artist Manager, Booking Agent, or Concert Promoter Attestation Form.</u>

The Attestation Form must be completed and saved using Adobe Reader (free for download online). Ensure that you have the current version on your computer. The final PDF should not have pages added or removed, and typically should still display the fillable fields in light blue.

We find that different web browsers sometimes have problems with Adobe. We suggest using Google Chrome or Mozilla Firefox to download the form because they are fully compatible.

- 2. Financial documentation from your last fiscal year completed. We will accept:
 - a. Financial statements (or audited review engagement/notice to reader)
 - b. Balance sheet from your last fiscal year completed (only for those who do not have financial statements).
- 3. Monthly cash flow statement for April 1, 2020 March 31, 2021, including incurred and planned expenditures (administrative budget items and fixed operating costs such as salaries, rent, etc.).

For venues, festivals, and agents, we may request further information on your programming carried out in the last year. This does not apply to artist managers.

Please refer to the <u>Frequently Asked Questions (FAQs)</u> document for more details about eligibility requirements and application process.

Applications will be evaluated after the filing period and submitting an application is not a guarantee of funding

Should you have any questions, don't hesitate to contact us at phase2@factor.ca.

