



# Support for Eligible Music Companies

## Program Guidelines

2017–2018

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### Program Overview

1. The Support for Eligible Music Companies Program provides funding for business development initiatives that support the marketing and promotion of the company and its services, as well as domestic and international travel to support the company's development objectives, through two components: [Business Development](#) and [Business Travel](#). All expenses and activities must serve to promote and benefit the growth of the company as a whole.
2. FACTOR may provide a grant of 50% of the Total Eligible Budget to a maximum of \$7,500 per Applicant companies rated 2; and up to a maximum of \$20,000 per Applicant companies rated 3 and higher, per FACTOR fiscal year, across both components. Please note that the funding received from the Support for Eligible Music Companies Program counts toward the Annual Funding Cap (see [Business Policies: Annual Funding Cap](#)).
3. Review of Applications takes six to eight weeks from the date of Application.
4. Funding for this program is provided by Canada's Private Radio Broadcasters and the Department of Canadian Heritage's Canada Music Fund's New Musical Works Component.

### Application Deadlines

5. For Business Development, there is one application deadline: **April 27, 2017**. Applicants must submit a [Business Development Plan](#) with the template provided by FACTOR, outlining the nature and scope of the project. All business development projects must be scheduled to take place within the FACTOR fiscal year (April 1, 2017 to March 31, 2018).
6. FACTOR will allow multiple applications for Business Travel throughout the year, subject to these Guidelines.

### Who Can Apply?

7. Only Eligible Music Companies that have an approved Applicant Profile with a Company Rating of 2 or higher are eligible to apply for this Program:
  - **Record Labels Rated 2, 3, 4**
  - **Artist Managers Rated 2, 3**
  - **Music Distributors Rated 2, 3**
  - **Music Publishers Rated 2, 3**
8. MEC-supported companies are ineligible.

## How This Program Works

9. The funding provided under the Support for Eligible Music Companies Program is intended to assist the development and travel activities of Eligible Music Companies through two components: [Business Development](#) and [Business Travel](#). The details of eligible costs for each category are set out in the Component Guidelines.
10. Upon first application for the year, applicants will be given a Project number and may add additional components under that Project number. For the Business Development Component, eligible companies may make only one application for the FACTOR fiscal year, requesting up to the Program maximum for that company rating. Any balance of funding remaining after the Business Development offer can be used for one or more Business Travel applications. Neither component is mandatory.
11. Eligible companies may apply for multiple Business Travel components throughout the FACTOR fiscal year, up to the Program maximum available for the company rating.
12. The Business Development Plan is mandatory and must be uploaded in the template provided at the time of application for the Business Development component. Applications that do not include the [Business Development Plan](#) in the template provided will be rejected as ineligible.
13. Logo and Acknowledgment Requirements: all recipients of funding from this Program must acknowledge FACTOR on all physical and digital materials, and on all press releases and promotional material, funded by this Program, and on the company's website. See FACTOR's [Logo and Acknowledgment Guide](#).

## How To Apply

14. Only Eligible Music Companies Rated 2 or higher can apply for this program. Please see [Business Policies: Applicant Profiles and Company Ratings](#) for more information.
15. For more information, please go to the [How To Apply page](#) on the FACTOR website. All Applicants should read [FACTOR's Glossary of Standard Terms and Business Policies](#) before starting an application.

## Eligible Costs – General Terms

16. These terms apply to all FACTOR Programs. Please see [Eligible Costs – This Program](#) (below) for details related to the Support for Eligible Music Companies program. Applicants are strongly advised to read and understand both sections, and to contact FACTOR prior to submitting an Application to ensure eligibility of the proposed costs.
17. Only those costs identified by the Applicant in the Application and approved by FACTOR will be deemed Eligible Costs.
18. As a general rule, Eligible Costs must be bona fide costs paid out-of-pocket by the Applicant to providers that are not employed by or related parties to the Applicant. Non-cash costs are generally ineligible for reimbursement by FACTOR. Applicants are advised to discuss the eligibility of any and all non-cash costs with FACTOR in advance.
19. Where FACTOR allows Eligible Costs to be expended In-House, those costs must be charged, in FACTOR's sole opinion, at verifiable fair market value with no mark-up. For In-House services, the party providing the services must be in the business of, or professionally employed to provide such services. Likewise, allowable costs paid to Related Parties must also be charged at verifiable fair market value with no mark-up. Please see the Program Guidelines and Component Guidelines for details.

20. Eligible Costs are those paid to Canadians and Canadian owned and controlled companies, for goods and services delivered in Canada. Notwithstanding the foregoing, FACTOR will recognize eligible costs related to non- Canadian Artist Members.
21. Goods and services purchased from individual Canadians living outside of Canada will be deemed Eligible Costs. Goods and services purchased from Canadian-owned businesses physically located outside of Canada will be deemed Eligible Costs provided that the business continues to have significant commercial activity or maintains a head office in Canada.
22. Generally, and unless otherwise explicitly allowed by FACTOR, you may not apply for costs that you have already incurred. Eligible Costs will begin to be deemed eligible after the Application has been received at FACTOR. For clarity: as soon as your application has been received by FACTOR, you may begin incurring Eligible Costs. Costs incurred and paid prior to the submission of an Application are generally deemed ineligible. FACTOR may allow certain earlier costs on a case-by-case basis.
23. Costs incurred after the original Completion deadline, and any FACTOR-authorized extensions to that deadline, are ineligible.
24. Costs must be verifiable with invoices, receipts and Proof of Payment. Unless otherwise noted or explicitly allowed by FACTOR, Proof of Payment must be submitted upon Completion, as a condition of funding.
25. Except for specific costs as noted in the Program Guidelines or the Business Policies, costs will only be deemed Eligible if they are incurred and paid prior to the date of submission of the Completion, or prior to the final Completion Deadline, whichever is earlier. Costs that are incurred after the expiration of a Completion Deadline and any FACTOR-approved extensions to the Completion Deadline will not be allowed, except by express permission of FACTOR.

**26. Cash payments** – for all components excluding Tour Support, Showcase and Business Travel:

- a. Incidental purchases under \$100 (e.g. gas, small goods) must be supported by a cash register receipt.
- b. Lease or purchase of goods and services under \$500, excluding per diems, must be supported by a detailed receipt issued by the payee indicating clearly all of the following:
  - i. The name and address of the organization or individual who provided the goods or services;
  - ii. The name of the individual who purchased the goods or service.
  - iii. The goods or services purchased in detail, such as item description, quantity, unit price, extended price, additional charges and applicable taxes.
  - iv. The transaction date (including the dates of service or delivery if applicable).
- c. Per diems under \$500 must be supported by a FACTOR-provided [Receipt for Services form](#) signed by the payee.
- d. FACTOR will not reimburse expenses paid in cash where the claim is a lease or purchase of goods and services over \$500 including but not limited to: personnel costs, fees for personal services, per diems, studio and equipment rentals, travel fares, hotel rooms, and vehicle rentals. Such costs must be paid by cheque, email transfer, credit card, interbank transfer, wire transfer or money order and supported by a detailed invoice or receipt as described above.

**27. \*NEW\* - For Tour Support, Showcase and Business Travel components, no limit will be applied to payments made in cash provided that:**

- a. Incidental purchases under \$100 (e.g. gas, small goods) must be supported by a cash register receipt.
- b. Personnel costs, fees for personal services and per diems paid in cash to individual persons must be supported by a FACTOR-provided Receipt for Services form signed by the payee.
- c. Lease or purchase of all other goods and services must be supported by a receipt issued by the payee indicating clearly all of the following:
  - i. The name and address of the organization or individual who provided the goods or services;
  - ii. The name of the individual who purchased the goods or service.

- iii. The goods or services purchased in detail, such as item description, quantity, unit price, extended price, additional charges and applicable taxes.
  - iv. The transaction date (including the dates of service or delivery if applicable).
28. Receipts in all cases must be sufficiently detailed to show the purchase is connected to the expense claim. Applicants must be able to identify and describe the item(s) or service(s) purchased. FACTOR reserves the right to contact the vendor, and to reject any costs it deems, in its sole opinion, insufficiently supported.
- 29. Travel costs**—Travel costs in all Programs must follow the spirit and intent of the Treasury Board Guidelines, namely that these costs do not exceed the rates specified in the [Government of Canada Travel Directive](#). In the event of a discrepancy between a maximum reimbursable cost published by FACTOR and the same cost published by the Treasury Board Guidelines, the lesser cost shall be applied. In addition to the limits proposed by the Treasury Board Guidelines, travel costs in all Programs are subject to the following:
- a. Hotel room or one-bedroom suite: Costs will be recognized at a maximum of \$300 per room or per suite per night, regardless of the number of occupants.
  - b. Hotel suite with more than one bedroom, where the suite is occupied by more than one eligible traveler in the same application: Costs will be recognized at the lesser of (a) the actual suite costs; or (b) \$300 per bedroom per night.
  - c. Private room, apartment or house rented through a public, commercial agency (e.g. Airbnb), where the claimant is the only tenant of the rental property: Costs will be recognized at a maximum of \$300 per night.
  - d. Private rooms, apartment and house rentals rented through a public agency (e.g. Airbnb), and hotel suites with several rooms, where the claimant is sharing the tenancy with other (non-funded) people: Costs will be recognized at the lesser of: (a) the actual room rental cost for one room as indicated on the agency or hotel invoice, to a maximum of \$300 per room per night; or (b) the total rental cost divided by the number of bedrooms in the property, to a maximum of \$300 per night. In the case of a shared tenancy, all tenants will be presumed to have paid a proportional share of the rental cost.
  - e. Private, non-commercial accommodation costs (e.g. rooms in privately-owned apartments and houses not rented through an agency) will be recognized at the maximums published by the Travel Directive.
  - f. Flight costs, where eligible, will be recognized by FACTOR for economy-rate tickets only (business and first class tickets are not eligible).
  - g. No dollar value will be attributable to air miles, frequent flyer points or similar programs. However, FACTOR may recognize a cash fee charged by the points provider.
  - h. Applicants are urged to ensure that each person traveling is covered by trip cancellation, health/medical and accident insurance appropriate to the length and location of the visit to the country in which any funded travel occurs. In the event that a trip or any portion thereof is canceled such that all or any portion of approved Eligible Costs is forfeit, the Applicant is required to recover the maximum amount available under its travel insurance. FACTOR will cover 50% of any remaining non-refundable costs.
- 30. Ineligible costs** in all Programs include, but are not limited to:
- a. Equipment purchases and purchases of capital assets;
  - b. Taxes that are subject to rebate to the Recipient (such as VAT, HST);
  - c. Musicians' union dues, penalties, fines, pension contributions and any other union-mandated payments;
  - d. CD, vinyl or other music media manufacturing and duplication costs, except where allowed within the allowance for promotional, not-for sale costs.
31. FACTOR reserves the right at all times to allow, disallow, or modify costs. It is advisable to discuss any significant changes to your budget before Completion. If you are uncertain about the eligibility of a cost, please contact FACTOR before incurring that cost. In order for a project and costs to remain eligible, Applicants must notify FACTOR immediately of any significant change to the original Application or budget submitted. A significant change would be one that impacts more than 25% of the budget.

32. In some Programs, FACTOR allows an Administration Fee to be added to the Total Eligible Costs, calculated as a set percentage of those costs. The current schedule of Administration Fees is set out in [Schedule A of the Business Policies](#), and also in the Component Guidelines. The Administration Fee is intended to contribute to overhead costs such as occupancy, staffing, and other day-to-day costs of running a business, which costs cannot be claimed elsewhere in the budget. The Administration Fee is not required to be documented on Completion.
33. The Administration Fee is not required by FACTOR to be paid to a grant writer, administrator, or any other supplier. The amount and method of payment due to a grant writer or any other supplier is a matter of contract between the Recipient and such supplier.
- 34. Musicians' fees** - Where applicable, fees paid to musicians will be recognized as follows:
  - a. For sound recording work, musicians' fees will be capped at a rate of \$400 per studio session, to a maximum of one session per track. The day rate includes overtime pay for the session, if any.
  - b. "Leader fees" paid to third-parties will be eligible at up to double the day rate, but only if the session is contracted pursuant to a musician's union contract, and that contract is submitted to FACTOR. Royalty players (i.e. the artist and its members) may not claim a leader fee to FACTOR.
  - c. For live performances, musicians' fees will be capped at a show rate of \$300 per show. The show rate includes all paid performances in one calendar day.
  - d. Cash payments to musicians may only be eligible for FACTOR reimbursement if they conform to the policy on Cash Payments set out above. For reimbursement by FACTOR, the musician's fee must be supported by an invoice from the musician to the applicant, along with proof of payment showing the invoice was paid.
  - e. Per diems paid to musicians will be recognized in addition to the above rates, to a maximum of \$50 per person per day. Claims to FACTOR for reimbursement of per diems paid in cash must be accompanied by a [Receipt for Services](#) form.
  - f. Additional union-mandated payments such as dues, fines, pension contributions, etc. are not eligible for FACTOR reimbursement.
  - g. FACTOR may recognize Donated Services only as follows: (i) in the Artist Development Program, provided that the applicant must submit an Artist's Donated Services form; and (ii) when the Artist is the Applicant, FACTOR will recognize donated services for live performances in a Tour or Showcase component, to a maximum of \$150 per Artist Member, per show. Applicants may not claim Donated Services in respect of Hired Musicians or Hired Crew.

## Eligible Costs – This Program

35. The Eligible Costs in this section are specific to the Support for Eligible Music Companies Program. Please also review [Eligible Costs – General Terms](#) (above). Applicants are strongly advised to read and understand both sections, and to contact FACTOR prior to submitting an Application to ensure eligibility of the proposed costs.
36. FACTOR will allow an Administration Fee of 15% of Total Eligible Costs in each Component application of this program, including Business Travel. This administration fee should be considered a contribution toward the company's overhead costs including media subscriptions, professional affiliation fees, software upgrades, ongoing maintenance of company-owned website, social media properties and related server and ISP costs, occupancy costs (rent, heat, lights), equipment maintenance, printing and photocopying, couriers, postage, and staffing costs not related to the business development project. Costs covered by the administration fee do not need to be submitted on completion; however, FACTOR reserves the right to request such documentation for up to seven years.
37. For each business travel and business development component, Applicants must submit a detailed budget. Once the Application is approved, changes to the proposed activities having a budget impact of 25% or less of Eligible Costs may be made without FACTOR pre-approval, subject to the cap, if any. All other changes must be approved by FACTOR.
38. See the Component Guidelines for the details of Eligible Costs related to each component.

## Funding and Payments

39. Funding under the Support For Eligible Music Companies Program is a Grant. FACTOR may award the full amount requested in the Application, but reserves the right to award a lesser amount based on its assessment of the Applicant's proposed expenses, or based on the total amount of funding available, or for any other reason.
40. Applicants to every FACTOR program must declare any other Public Funding received or expected to be received toward the same project costs they are claiming to FACTOR. FACTOR's contribution plus any other Public Funding cannot exceed 100% of the project's Total Eligible Budget. See [Business Policies: Glossary - Public Funding](#).
41. FACTOR funding for a business travel component will be paid out in full upon receipt, review and approval of the Completion. No FACTOR advances will be paid for business travel claims.
42. FACTOR funding for a business development component is paid out in two stages: (1) a FACTOR Advance equal to 50% of the amount of approved funding is paid out once the application is approved and the funding agreement has been executed by FACTOR and the Applicant; and (2) the remainder of the funding is paid out when the Completion has been received, reviewed and accepted by FACTOR.
43. FACTOR may remove any ineligible expenses from the final Completion Budget. This may lead to a reduction in the final payment, and in some cases it may result in the Applicant having to return a portion of the FACTOR Advance. Please be sure that your costs are eligible!
44. To receive FACTOR funding, you must submit banking information for [Direct Deposit](#).
45. Please note that the funding received from the Support For Eligible Music Companies Program counts toward the Annual Funding Cap (see [Business Policies: Annual Funding Cap](#)).

## Completion

46. Please see the Component guidelines for the detailed completion requirements of each component.
47. For every approved component of the project, Applicants must compile and organize all invoices, receipts and Proofs of Payment, then enter the amounts being claimed into the FACTOR Cost Report which can be downloaded from the Budget page of the Completion. Applicants must then upload the Cost Report along with all related payment documentation, then complete and submit all other sections of the online Completion for the component.
48. Applicants should retain all their invoices, receipts and Proofs of Payment for seven years for FACTOR and Revenue Canada taxation purposes.

Included in this PDF:

[Business Development Component](#)

[Business Travel Component](#)



## Business Development

### Component Guidelines

2017-2018

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## Funding Limits

1. The total **program** funding limit per FACTOR fiscal year across both components of the Support for Eligible Music Companies Program is:
  - \$7,500 for companies rated 2, and
  - \$20,000 for companies rated 3, 4

There are no further requirements as to how much can be spent in the Business Travel or Business Development components.

## Eligible Activities

2. The Business Development component is intended to support the costs of outward-facing development projects that are incremental to, and expand the existing business of the company. Such projects must have a beginning and an end; they cannot go on indefinitely. Some examples might be:
  - a. design and build of a new online property;
  - b. first acquisition of, or a major upgrade to royalty-reporting software,
  - c. launch of business in a new territory,
  - d. addition of a new division of the company, and
  - e. other projects that represent a significant expansion of the company's capacity and activities.
3. Applicants are required to submit a [Business Development Plan using the FACTOR-provided template](#), outlining the nature and scope of the business development project. You are advised to discuss your proposed business development project in advance with your Project Coordinator.

## Eligible Costs – Business Development

4. The costs set out here are specific to this Component. Please see the Program Guidelines under [Eligible Costs – General Terms](#) for general rules of Eligible Costs.
5. Except as specifically set out below, Business Development funding is intended to contribute toward the company's third-party, out of pocket costs.
6. Except for costs which are captured by the Administration Fee set out below, Business Development funding may not be used toward infrastructure and occupancy costs.

7. FACTOR will only recognize Business Development expenses incurred in the fiscal year of application (April 1, 2017 - March 31, 2018). “Incurred” means the goods have been purchased and paid for, or the services have been delivered and have been paid for, within the FACTOR fiscal year.
8. Eligible costs for Business Development Component may include, but are not limited to:
  - Design and development services for new online and digital properties
  - Graphic design of new company branding materials
  - Acquisition costs of new royalty-reporting software
  - Personnel costs and contractor fees for persons who are not regular employees of the company, and who are engaged to work on the development project on a term basis. Such costs must be accompanied by a deal memo directly related to the provision of services for the project. The deal memo must set out the scope and nature of the services to be rendered, along with the fee. Such payments must also be supported by an invoice related to the fee set out in the deal memo.
  - Personnel and salary costs for existing/regular employees and contractors of the company working on an approved business development project when supported by an [Employee Time Allocation Form](#).
  - Sales and chart reporting subscriptions (e.g. SoundScan, Nielsen Connect, BuzzAngle, Mediabase), where those reports are used as strategic and analytical tools for new market development. If the company maintains an annual subscription, then such costs should be allocated in proportion to the amount of time the company has allocated to new market and new business development.
  - Consultants’ costs provided that the person is engaged to help the company create or execute an approved development project.
  - Professional development costs, provided that such development is related to the business of the company. These could include workshops and seminars related to the music business, and courses to enhance general business management, software and programming skills, provided that these must be related to the development of the company and its services.
9. Corporate overhead and occupancy costs such as: rent, heat, lights, phone/fax, office equipment rental and office supplies (including stationery and business cards), ISP costs, ongoing website maintenance, general personnel costs, professional memberships, streaming music subscriptions and all other day-to-day costs will be covered by the 15% Administration Fee. These costs do not have to be set out in detail in the application and completion budgets.
10. If the business development project takes place in Canada and largely concerns the domestic presence of the company, non-Canadian costs will be capped at 50% of total eligible costs. If the business development project takes place outside of Canada and develops the company’s international presence, there will be no cap on international costs.
11. Ineligible costs for the Business Development Component include:
  - a. Costs incurred by or on behalf of a specific artist including artist registration fees, artist showcase fees, per diems, travel costs, accommodations, marketing expenses, etc.
  - b. Subscriptions to digital music services or administrative cloud services such as DropBox, Soundcloud, MailChimp, Spotify, Hightail, etc.
  - c. Company overhead costs exceeding the 15% Administration Fee
  - d. Any costs related to a person who is also being claimed as an Eligible Traveler in a Showcase or Tour Support application.
  - e. Legal fees.
  - f. Travel and registration costs for industry events. Those should be claimed in a Business Travel Component.
  - g. Costs associated with company parties or receptions.
  - h. All Donated Services and In-Kind Transactions.



## Component Completion

Please review the [Completion Guide](#) for detailed instructions.

12. For every component of the project, Applicants must compile and organize all invoices, receipts and Proofs of Payment, then enter the amounts being claimed into the FACTOR Cost Report which can be downloaded from the Budget page of the Completion. Applicants must then upload the Cost Report and all related expense documentation, then complete and submit all other sections of the online Completion (including Budget, Goals and Results, Component Information, Public Funding). Please be aware that if there is a discrepancy between amounts in the Cost Report and the online Budget, FACTOR will defer to the Cost Report.
13. Logo and Acknowledgment Requirements: all recipients of funding from this Program must acknowledge FACTOR on all physical and digital materials, and on all press releases and promotional material, funded by this Program, **and on the company's website**. See [FACTOR's Logo and Acknowledgment Guide](#).

## Business Travel Component Guidelines 2017–2018

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### Funding Limits

1. The total **program** funding limit per FACTOR fiscal year across both components of the Support for Eligible Music Companies Program is:
  - \$7,500 for companies rated 2, and
  - \$20,000 for companies rated 3, 4

There are no further requirements as to how much can be spent in the Business Travel or Business Development components.

### Eligible Activities

2. Business travel can be undertaken on behalf of the company's whole business, or be specific to one artist or release. However: release-specific and artist-specific expenses of the kind that are normally eligible to be supported under another FACTOR program or component (including marketing, sound recording, tour support, showcase, video, and radio marketing) are not eligible.
3. Only company owners, employees and contractors of the Applicant company are eligible for travel costs, to a maximum of two people per trip. Proof of full-time employment or contract may be requested by FACTOR staff. If an applicant's contract employee is also engaged to attend the same event by another company, FACTOR will allow only one application per contractor per trip.
4. Business Travel applications must be submitted one calendar day in advance of departure. Generally, intended travel dates should take place no more than six months from the date of Application. An exception may be allowed with permission from FACTOR.
5. You may make multiple Business Travel Component applications throughout the year, subject to the Program funding limits less any funding you have been offered in the Business Development component.

### Eligible Costs – Business Travel

6. The costs set out here are specific to this Component. Please see the Program Guidelines under [Eligible Costs – General Terms](#) for general rules of Eligible Costs.
7. Travel funding in this Component is intended to cover the costs of domestic and international business activities undertaken at trade shows, conferences, industry events, and/or business travel supporting company development activities. It may also be used to pay for some of the costs of production of promotional materials and activities associated with attendance.

8. Except for costs which are captured by the Administration Fee set out below, Business Travel funding may not be used toward infrastructure and occupancy costs.
9. Eligible costs in this component are subject to the spirit and intent of the [Government of Canada Travel Directive](#). Please see the Program Guidelines under [Eligible Costs – General Terms](#) for additional rules and limits on travel costs.
10. Eligible costs for Business Travel include:
  - a. Travel fares (air, train, bus etc).
  - b. When a privately owned vehicle is used, the Eligible Cost will be tallied at an all-in gas and mileage rate of \$0.50/km. Applicants will be required to submit odometer readings taken before and after the [travel]. If the all-in private vehicle rate is claimed, then gas receipts will not be eligible. A [Vehicle Log](#) is available here.
  - c. Hotel and other public rental accommodations.
  - d. Long distance mobile phone charges incurred during the business trip
  - e. Registration fees for eligible travelers to attend domestic and international music industry conferences or trade fairs if approved by FACTOR in the original application.
  - f. Company promotional materials such as printed material (to a maximum of \$400), CDs and other music media (to a maximum of \$400), and t-shirts/soft goods (to a maximum of \$400) as long as they are not specific to any one Artist.
  - g. Local ground transportation (such as taxis and public transit costs) and parking costs to a maximum of \$300 per trip.
  - h. Per Diems are allowable to a maximum of \$100 per person, per day, for no more than nine days.
  - i. For conferences and events taking place in an Applicant’s home city, only the following costs will be eligible: Registration Fee, local ground transportation to a maximum of \$100, and promotional materials. “Applicant’s home city” means a 100-km radius around the head office or primary business address of the Applicant.
  - j. For each event or trip, FACTOR will recognize a maximum of seven days attendance, plus two days of travel; and a maximum of eight night’s hotel accommodations.
11. Corporate overhead and occupancy costs such as: staffing and personnel costs, rent, heat, lights, phone/fax, office equipment rental and office supplies (including stationery and business cards), ISP costs, ongoing website maintenance, general personnel costs, professional memberships, streaming music subscriptions and all other day-to-day costs will be covered by the 15% Administration Fee. These costs do not have to be set out in detail in the application and completion budgets.
12. Travel fares and accommodation expenses that are booked and paid reasonably prior to the application being submitted may be recognized, provided that those costs must be clearly connected to the purpose of the travel.
13. Ineligible costs for the Business Travel Component include:
  - a. Any In-House or Related Party costs. All costs claimed must be out-of-pocket costs paid to bona fide third parties.
  - b. Client entertainment and hospitality costs (e.g. lunch, drinks, dinner) for persons other than the eligible traveler(s). Meal costs for the eligible travelers are covered under per diems.
  - c. Rental costs for vehicles privately owned by someone other than the Applicant.
  - d. No monetary value is given for tickets purchased with airline points or the purchase of points for tickets or upgrades; however, the airline’s ticket fees and surcharges may be eligible.
  - e. Event tickets not included in the cost of registration.
  - f. Repeat trips within a three-month period to the same city unless one of the repeat trips is to attend a conference, or by special advance permission of FACTOR. Interoffice travel is generally ineligible.
  - g. Any costs related to a person who is designated as an Eligible Traveler in a Tour or Showcase application for the same event or trip.
  - h. Release-specific and artist-specific expenses of the kind that are normally eligible to be supported under another FACTOR program or component (including marketing, sound recording, tour support, showcase, video, and radio marketing) are not eligible.
  - i. Company overhead costs exceeding the 15% Administration Fee.

## Component Completion

Please review the [Completion Guide](#) for detailed instructions.

14. For every component of the project, Applicants must compile and organize all invoices, receipts and Proofs of Payment, then enter the amounts being claimed into the FACTOR Cost Report which can be downloaded from the Budget page of the Completion. Applicants must then upload the Cost Report and all related expense documentation, then complete and submit all other sections of the online Completion (including Budget, Goals and Results, Component Information, Public Funding). Please be aware that if there is a discrepancy between amounts in the Cost Report and the online Budget, FACTOR will defer to the Cost Report.
15. Logo and Acknowledgment Requirements: all recipients of funding from this Program must acknowledge FACTOR on all physical and digital materials, and on all press releases and promotional material, funded by this Program, **and on the company's website**. See [FACTOR's Logo and Acknowledgment Guide](#).