



## Tour Support Component Guidelines 2018-2019

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### Eligible Artists

1. To be eligible for funding under the Tour Support Component across all Programs, the Artist must be Canadian. To be eligible in the Live Performance Program, the Artist must be rated 2 or 3. All other Artists who have a full-length FACTOR-funded sound recording project in progress should apply through the Tour or Showcase component of their sound recording program for live performance funding.
2. Artists eligible for support from the Radio Starmaker Fund (RSF) are eligible for FACTOR Tour Support through the Tour Support Component of any Program. However, FACTOR will not fund the same tour dates nor the same expenses as RSF. Therefore, you may only apply to FACTOR for a different set of tour dates. In addition, in the event of an oversubscription to the Live Performance Program, FACTOR will give priority to applications from those Artists who are ineligible to apply to RSF.

### Funding Limits

3. The funding limits for the Tour Support Component in 2018-2019 are as follows:
  - Artist 3: **\$35,000**, of which a maximum of \$20,000 can be spent on domestic touring and up to the full \$35,000 can be spent on international touring.
  - Artist 2 and General (see \*Note): **\$30,000**, of which a maximum of \$15,000 can be spent on domestic touring and up to the full \$30,000 can be spent on international touring.

\*Note: General Artists may not apply for Tour Support in the Live Performance Program; however, the Tour Support Component is available to General Artists through all full-length sound recording and marketing programs.

These limits include the Showcase Component maximums and apply across all Programs. This means that regardless of what Program you apply under, or which Applicant applies, the amount of Tour Support funding available for the Artist will not exceed the above limits in each FACTOR fiscal year.

The new [Remote Communities Allowance](#) will not count toward the annual limit.

### Eligible Tours

4. A Tour Date is a calendar date on which the Artist is contracted to publicly perform during a Tour. A Tour Date must be contracted and paid in some form of cash consideration, such as a guaranteed fee or a share of revenues, or a combination of both. The Tour Date must be able to be verified with Proof of Performance upon Completion. All performances taking place during one calendar day constitute one Tour Date.

5. For the Tour Component of the Live Performance Program, an eligible Tour consists of a minimum of eight confirmed dates, at least six of which must be paid Tour Dates with a minimum set length of 30 minutes.
6. When the Tour Component is part of a sound recording or marketing program, there is no minimum number of Tour Dates that constitute a Tour, and no limitation in the number of Tour Dates that are home shows, school shows, or return engagements (for FACTOR's purposes, a return engagement is when the artist is booked to perform at a venue the artist has played previously on the same tour). However, the annual funding limit per Artist will be applied based on funding derived from the Tour Component in all Programs.
7. Applicants must apply at the latest one calendar day in advance of the tour start date and no earlier than six months in advance of the tour start.
8. The Tour should be continuous and scheduled with no extensive breaks between dates (an "extensive break" generally means more than five days off, depending on the territory being toured, but FACTOR will allow exceptions where the tour is a significant distance from the artist's home city). "Residencies" (where the Artist performs in the same venue on more than two consecutive nights, or on the same night in more than two consecutive weeks) are ineligible for Tour Support in all Programs.
9. The Applicant must provide notes on their Goals and Expected Results, including a description of the Tour, the Artist's commercial history, notable successes, and current opportunities in the Territory being toured, along with confirmation that the Tour Dates have been booked. Such confirmation could include a performance contract, the booking agent's itinerary, or an email from the venue or promoter that the tour date is confirmed. These confirmations should include the date, city, venue, capacity, set length and contracted performance fee.
10. When a Tour includes a conference showcase date, the corresponding conference registration fees are eligible and the official Showcase Invitation must be included with the Application.
11. You are obligated as a condition of funding to include the appropriate logos and acknowledgment in all materials created in a FACTOR-funded project. Please review the [Logo and Acknowledgment Guide](#) for specific instructions. Remember, the failure to provide appropriate logos and acknowledgment could result in a loss of some or all of your funding.

## Eligible Costs – Tour Support

12. The Eligible Costs in this section are specific to the Tour Support Component. Please also review [Eligible Costs – General Terms](#) as well as the Eligible Costs – This Program in the [Program Guidelines](#) for the Program under which you are applying. Applicants are strongly advised to read and understand these sections, and to contact FACTOR prior to submitting an Application to ensure eligibility of the proposed costs.
13. FACTOR funding under the Tour Support Component will equal the lesser of (i) the approved Offer, or (ii) the final subsidy calculation plus Administration Fee, or (iii) 75% the Total Eligible Budget; to the Program maximum.
14. Tour Support Component funding is calculated as a flat rate per Eligible Tour Date (the "Total Subsidy"), the base rate of which is based on the number of Eligible Travelers, with additional amounts for the distance traveled and the venue capacity. Venue Capacity must be verifiable.
15. An Eligible Traveler is a person who is:
  - a. a credited, full-time member of the Artist group; or
  - b. a Hired Musician or Eligible Crew member whose paid services have been engaged by the Artist for the duration of the Tour;

- c. a person who is not receiving funding to attend the Tour or Showcase under the Business Travel Component;  
AND
  - d. who has been approved by FACTOR as an Eligible Cost.
16. A Hired Musician is a musician who is hired to provide his or her services on a contracted, project basis, in exchange for wages. If claimed as an Eligible Cost, the Hired Musician must be Canadian unless otherwise approved by FACTOR. A full-time member of the Artist, or an Eligible Crew member, cannot also be claimed as a Hired Musician.
17. An Eligible Crew member is a person hired by the Artist for a Tour to provide only the services of Tour Manager, Driver, Road/Equipment Technician, Lighting Technician, Sound Mixer, Merchandise Seller, or Nanny hired to care for the Artist’s children on tour or a combination of the foregoing, in exchange for wages. If claimed as an Eligible Cost, the Eligible Crew member must be Canadian unless otherwise approved by FACTOR. If claimed in the final Completion Budget, Eligible Crew must travel with the Artist for all or a substantial portion of the Tour. An Eligible Crew member cannot also be claimed as a member of the Artist or as a Hired Musician.
18. A signed agreement or Deal Memo for Hired Musicians and Eligible Crew must be submitted on Application. It should set out at a minimum the names of the contracting parties, a description of the services to be provided, the rate of pay, and the dates for which the person is being hired. [A Sample Deal Memo is available on the FACTOR website.](#)
19. Per diems will be recognized to a maximum of the number of days on the tour (including travel days) plus two days before the first tour date and two days after the last tour date. Per diems are recognized to a maximum of \$50 per person per calendar day.
20. **\*NEW Remote Communities Allowance:** You may now claim an additional airfare subsidy for any Eligible Travelers who reside in Canada in a Remote Community and who must fly out to work on the tour or showcase as follows:
- a) “Remote Community” means the home is more than 300 km/3 hours ground travel from the following international airports: Toronto, Vancouver, Montreal, Calgary, Edmonton, Ottawa, Winnipeg, Halifax, Victoria, Kelowna/Okanagan Valley, Quebec City, St. John’s, Saskatoon, Regina.
  - b) The additional subsidy only applies when the Eligible Costs include airfare for the Eligible Traveler to fly from the international airport nearest their home at the start of the tour, and returning to that same airport, or another of the listed airports, at the end of the tour.
  - c) The subsidy will be added as one lump sum per each traveler per tour on top of the calculated subsidy. The Allowance amounts are:
- |                                 |                               |                         |
|---------------------------------|-------------------------------|-------------------------|
| Alberta - \$300                 | Northwest Territories - \$800 | Quebec - \$300          |
| British Columbia - \$300        | Nova Scotia - \$300           | Saskatchewan - \$300    |
| Manitoba - \$300                | Nunavut - \$1,000             | Yukon Territory - \$800 |
| New Brunswick - \$300           | Ontario - \$600               |                         |
| Newfoundland & Labrador - \$600 | Prince Edward Island - \$300  |                         |
- d) The Remote Communities Allowance will not count toward the artist’s annual funding limit. However, it will count towards the final calculation of the offer amount.
21. A Subsidy Calculator is embedded in the Tour Support Component in the Online System and will be available when you apply. For reference, see the rates below.

| <b>Tour Date</b>   | <b>A = Base Rate</b>  | <b>B = Territory</b>   | <b>C = Venue Capacity</b>   | <b>D=Subsidy per Tour Date</b>                     |
|--------------------|---|--|---|--|
| First Tour Date    | Add up the Eligible Travelers. The result equals A.<br><br>First Eligible Traveler = \$200<br><br>Each additional Eligible Traveler = add \$75<br><br>To a max. of 8 Eligible Travelers | Multiply A using these rates. The result equals B.<br><br>Canada* = n/a<br><br>US X 50%<br><br>UK/Europe x 80%<br><br>Rest of World x 140%<br><br>* B for Canada will always = 0 | Multiply (total of A+B) using these rates. The result equals C.<br><br>Under 200* = n/a<br><br>200-349 = x 25%<br><br>350 - 499 = x 40%<br><br>500 +/Major Festivals =x 50%<br><br>* for venues under 200 will always = 0 | A+B+C=D  |
| For each Tour Date | Do as above   | Do as above  | Do as above   | Do as above  |
|                    |   |  | Then calculate the sum of Column D.   | <b>THE SUM OF THIS COLUMN IS THE TOTAL SUBSIDY</b> |

22. Although Tour Support funding is calculated as a subsidy, you will have to submit a final budget on Completion. FACTOR will only recognize and reimburse up to 75% of the Eligible Costs in your budget. If you claim costs that are ineligible, FACTOR will remove them from the budget and your subsidy may be reduced accordingly. If you have any questions about the eligibility of a particular cost, please contact FACTOR in advance.
23. Generally, and unless otherwise explicitly allowed by FACTOR, Eligible Costs are those paid to Canadians and Canadian owned and controlled service suppliers, the exception being non-Canadian members of the Artist group. Eligible Crew must be Canadian unless otherwise approved by FACTOR. FACTOR may make an exception if the cost of hiring non-Canadian musicians and tour personnel who are resident in the territory being toured is significantly more cost effective; however, this must be approved in advance by FACTOR.
24. Travel fares, registration and accommodation expenses that are booked and paid before submission of the Tour Support application may be eligible, provided that those costs must be clearly connected to the tour.
25. 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 Tour. If the all-in private vehicle rate is claimed, then gas receipts will not be eligible. [A Vehicle Log is available here.](#)
26. Basic vehicle maintenance costs resulting from tour travel, such as oil changes, are allowable. FACTOR reviews these costs on a case-by-case basis, and the dates of the costs must be consistent with the dates of the tour.
27. Both vehicle costs and airfare are eligible.
28. Pre-tour expenses, such as rehearsal time, will be capped at 15% of Total Eligible Costs.

29. Costs of designing, manufacturing and producing items of non-music merchandise sold on the Tour (e.g. t-shirts, tote bags etc.) will be considered Eligible Costs. For non-Canadian tours, the costs of non-music merchandise items manufactured outside of Canada may be eligible. Manufacturing receipts or account statements from label or distributor showing the per-unit cost must be provided at Completion to claim these costs.
30. The costs of not-for-sale promotional CDs, vinyl, and dropcards are eligible to an aggregate maximum of 500 units. Manufacturing receipts or account statements from label or distributor showing the per-unit and total cost must be provided at Completion to claim these costs.
31. Merchandise shipping costs within Canada and to destinations outside of Canada will be allowed as Eligible Costs.
32. In the Live Performance Program only, the cost of printed materials, such as handbills, posters, banners etc., will be capped at \$400 per Tour.
33. Musical supplies subject to normal wear and tear, such as guitar strings, drum skins, and batteries may be Eligible Costs; however, capital purchases of musical instruments and equipment, or PA equipment, are considered equipment purchases (not supplies), and are ineligible.
34. Equipment purchases will be recognized up to a maximum of 10% of the total cost of the purchase. Date of the purchase receipt must be consistent with the dates of the tour.
35. Buy-on fees for the tour will be reviewed by FACTOR on a case-by-case basis and may be refused or capped as FACTOR deems reasonable.
36. 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).
37. 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.
38. Artist and Hired Musician fees will be capped at \$300 per show. Donated Services are ineligible when the Applicant is a party other than the Artist. When the Applicant is the Artist, FACTOR will recognize Donated Services for Artist Members to a maximum of \$150 per Artist member per day. Donated services may no longer be claimed for Hired Musicians and Eligible Crew. Donated Services in total cannot exceed 25% of Total Eligible Costs. Please see [Business Policies: Donated Services](#).
39. In-House costs are allowed in this component. Generally, and unless otherwise explicitly allowed by FACTOR, In-house and/or Related Party Transactions are capped at a maximum of 25% of the total Eligible Costs. In any event, Artist Members performance fees will not count towards the In-House cap.

40. FACTOR will recognize third-party Booking Agency Fees and Commissions up to 20% of negotiated and verified Performance Income. A statement, invoice or settlement sheet showing commission payable must be provided at completion to claim this cost.
41. FACTOR will recognize third-party Artist Management Fees and Commissions up to 20% of verified Performance Income. A statement, invoice or settlement sheet showing commission payable must be provided at completion to claim this cost.
42. Local ground transportation (such as taxis and public transit costs) and parking costs are eligible up to a maximum of \$100 per day.
43. Ineligible costs for Tours include but are not limited to:
  - a. Vehicle repairs to a privately-owned or rental vehicle that would ordinarily be covered by a comprehensive insurance policy.
  - b. Showcase and awards application expenses and award show ticket purchases.
  - c. “Buy-on” fees for a private showcase or no-case.
  - d. Office rent, office staff wages, and the rental and purchase of office equipment, and any other kind of company overhead charge.
  - e. Any costs related to a person who is receiving funding to attend any or all of the tour dates under the Business Travel Program. Such persons cannot be claimed as Eligible Travelers for the purposes of the subsidy calculation.
  - f. Vehicle rental expenses for a privately-owned vehicle.
  - g. Traffic tickets.
  - h. Make-up, costume and wardrobe expenses.
  - i. AFM/CFM dues.
  - j. Funding to attend songwriting circles or music reviews panels (otherwise known as “date with a tape” events) at music industry conferences.
  - k. Booth fees.
  - l. Donated Services except as described above.
  - m. Booking and/or management fees where the Applicant is self-booking and/or self-managing
  - n. Any expenses such as hotel rooms, advertising, equipment and personnel costs paid for by the promoter and then deducted from gross ticket revenue prior to the split point (i.e. the calculation of the artist’s revenue share, if any). These are deemed by FACTOR to be promoter’s costs, and are not eligible for FACTOR reimbursement.
44. Administration Fees for the Tour Support Component will be calculated automatically in the online system. See [Business Policies: Schedule A – Administration Fees](#) for the maximum amounts.

## Component Completion

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

45. 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).
46. In addition to the Program completion requirements, to complete the Component and receive the final payment (if any), Applicants must:

- a. Submit Proof of Performance (uploaded to each Tour Date in your online Completion) that each performance took place and was performed as contracted. As Proof of Performance, FACTOR will accept a copy of the promoter's settlement sheet, or the booking agency's final statement. These must indicate the date, city and venue and indicate the final payment received. Tour itineraries, posters and print ads will not be accepted as Proof of Performance; however, FACTOR may accept ticket stubs or media reviews on a case-by-case basis.
- b. If there is a change of personnel, you must indicate those changes in the Component Information section of your online Completion, and provide an explanation of the changes in the "variance" box within that section. You must also submit corresponding Deal Memos for any new Eligible Travelers.
- c. Public Funding: you must review and update this section of the Completion to confirm any public funding that was received for the Tour.
- d. Submit [Letters of Direction to Pay](#) (maximum three per Project). These Letters are voluntary on the part of the Applicant, who may prefer to have FACTOR pay certain suppliers directly.
- e. Once submitted to FACTOR, the Completion will be deemed by FACTOR to be the Recipient's true, accurate, and final accounting, and may not be unsubmitted, amended or deleted.