

## Video Program Guidelines 2017–2018

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### Program Overview

1. The objective of the Video Program is to help finance original music videos that support sound recordings by Canadian Artists. It is not a requirement in this program that the sound recording be FACTOR-funded.
2. Funding in this Program is a Grant and is calculated as:
  - Artists Rated 2 and 3: up to 75% of the Total Eligible Budget to a project maximum of \$5,000 or;
  - Artists Rated 3: up to 75% of the Total Eligible Budget to a project maximum of \$20,000; provided that the funding must be used to make at least one television broadcast quality music video.

Please note: Artists in the General category who have a current FACTOR-funded full-length sound recording project may apply for Video component funding within that Program.

3. A maximum of \$20,000 in Video funding is available per Qualifying Album per FACTOR fiscal year, across all Programs. This means that Applications for Video support within this Program will diminish the amount that can be requested in the Video Component of any other Program.
4. Review of applications will take six to eight weeks from the date of Application.
5. 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

6. Rolling Deadline. Application may be submitted at any time, but no later than 12 months after the Commercial Release of the sound recording. For upcoming releases, application may be submitted six months prior to Upcoming Release date.

### Who Can Apply?

- Artists Rated 2, 3
  - Record Labels Rated Approved, 2, 3, 4, provided that the Artist is Rated 2 or 3
7. MEC-supported labels and non-Canadian labels are ineligible.

8. Only the party that controls the Canadian commercial release rights and exclusive Canadian exploitation rights to the sound recording at the time of application may apply. Typically, this will be:
  - A **Canadian Artist**, if the Artist is “unsigned” or has not licensed the sound recording to another party. If the Artist is a band that is not incorporated as a company, then an individual member of the Artist band must be the Applicant. You must have both an approved Artist Profile and an approved Applicant Profile to apply.
  - A **Canadian Record Label** that has already signed the Artist, or has licensed the sound recording, or has an option to license the sound recording. If the Artist owns the underlying copyright in the masters but has licensed the sound recording to a Record Label, the Label must be the Applicant. The Record Label must have an approved Applicant Profile and the Artist Profile must also be registered and approved before the Label can apply.
9. When a Record Label is the Applicant, it is expected to retain exclusive control of the exploitation rights in the sound recording for two years after first commercial release of the full album on which the sound recording appears. The Artist must not be directly signed, nor may the sound recording be directly licensed, to a non-Canadian label for Canada. Please see [Business Policies: Disposition of Masters](#).
10. If the Applicant is the Artist, the Artist must be the owner in first instance and must have control of the Canadian copyright in the sound recording; the sound recording must not be subject of any license or recording agreement at the time of Application.
11. If you have received assistance from MuchFACT or BravoFACT for your video, you cannot receive Video Program or any Video Component funding.
12. Each Artist is limited to two grants under the Video Program per Qualifying Album across all Programs to a maximum of \$20,000. In the event the Video Program is oversubscribed, priority will be given to the first Applications for a Qualifying Release.

## How This Program Works

13. This Program consists of the [Video Component](#). Please review the Component rules.
14. If you are approved for the \$20,000 level, you must produce at least one video of television broadcast quality.
15. For the Video Program, the video(s) must be in support of a Current Release that was Commercially Released in Canada in the 12 months prior to the date of Application for the Video Program. A single released in advance of an Upcoming Release may be eligible, provided that (a) the Upcoming Release has a confirmed commercial release date that is no later than six months after the date of Application and (b) the single appears on the Upcoming Release. If you are applying with an Upcoming Release, you must upload evidence of scheduled release date, such as a one-sheet or sell sheet from the distributor or a link to a retail site with the upcoming release notice to the Component Information section of the Video Application.
16. You may apply for multiple videos per Application. Each video must be applied for in its own Component. You must produce the videos proposed in your Application.
17. FACTOR must be acknowledged in the end credits, on all digital and physical copies of the video, and/or wherever production credits for the track may be listed, even if the video is being licensed, co-produced, shared or released outside of Canada by a third party. Please see [Business Policies: Logo and Acknowledgment](#).
18. 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.

## How To Apply

19. Before you can apply, you must have a reviewed and rated Applicant Profile, as well as access to the reviewed and rated Artist Profile in the FACTOR system. Please go to the [How To Apply page on the FACTOR website](#) for instructions on creating and sharing Applicant Profiles, followed by how to submit an application.
20. If you do not have an Artist Profile and/or Applicant Profile, you must submit your new Artist Profile and at the latest one week before your application deadline. If you submit your new Profiles too late, you will not be able to apply.
21. All Applicants should read FACTOR's [Glossary of Standard Terms and Business Policies](#) before starting an application.

## Eligible Costs – General Terms

1. These terms apply to all FACTOR Programs. Please see [Eligible Costs – This Program](#) (below) for details related to the Video 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.
2. Only those costs identified by the Applicant in the Application and approved by FACTOR will be deemed Eligible Costs.
3. 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.
4. 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.
5. 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.
6. 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.
7. 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.
8. Costs incurred after the original Completion deadline, and any FACTOR-authorized extensions to that deadline, are ineligible.

9. 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.
10. 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.

**11. 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.

**12. \*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).
13. 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.

**14. 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.

**15. 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.

16. 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.

17. 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.

18. 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.

**19. 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

- 22. Please see the [Component](#) rules for the details of eligible and ineligible costs.

## Funding and Payments

- 23. 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.
- 24. FACTOR funding is generally 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 agreements (a General Agreement and an Annex) have been executed by FACTOR and the Applicant; and (2) the remainder of the funding is paid out when the Completion Report has been received, reviewed and accepted by FACTOR. 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.
- 25. Please note that the funding received from the Video Program counts toward the New Musical Works portion of the Annual Funding Cap (see [Business Policies: Annual Funding Cap](#)).
- 26. To receive FACTOR funding, you must submit banking information for [Direct Deposit](#).
- 27. 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.

## Project Completion

28. Please review the [Video Component](#) rules for additional information regarding Completion.
29. If approved, you will be given a Completion deadline to finish your Video project. On or before that deadline, you 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 project component.
30. Note that FACTOR expects a detailed itemization of all video costs even if the production is contracted to a third-party producer or production house that charges an “all-inclusive” production fee.
31. You are required to provide FACTOR with the URL link to a copy of the finished video(s), in which the production credits are visible. FACTOR may also request a copy of the video(s) in .mov format or such other digital format as FACTOR may designate. In accepting FACTOR funding, you give FACTOR permission to share and display your video on a promotional basis.

Included in this PDF:

[Video Component](#)

## Video Component Guidelines 2017-2018

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### Eligible Artists

1. To qualify for the Video Component in all Programs, the Artist must:
  - Be Canadian
  - Not be signed under an exclusive artist recording agreement to a non-Canadian label for Canada, nor may the sound recording for the proposed video be directly licensed to a non-Canadian label for Canada

### Funding Limits

2. Video Component funding is a maximum of \$20,000 per Qualifying Album per FACTOR fiscal year, across all Programs.
3. FACTOR funding under the Video Component for all Programs is up to 75% of the Total Eligible Budget.
4. The Artist 2 and Artist 3 limits of \$5000/\$20,000 apply only when the funding is being sought in the Video Program. Those limits do not apply when the funding is requested in a Video component of any full-length sound recording or marketing program.

### Eligible Videos

5. Video Component funding is intended to support the production of high-quality music videos that support sound recordings by Canadian Artists. Lyric Videos are not eligible in the Video Component for any Program. However, they are eligible in the Marketing Component.
6. Please submit one Component per proposed video.
7. Applicants who are approved for the \$20,000 Component stream of the Video Program (see [Video Program Guidelines](#)) must produce at least one video of television broadcast quality, per broadcast standards.
8. Music videos receiving any funding from MuchFACT are ineligible for FACTOR support.
9. In all Programs, the Applicant must be the party that controls and has Commercially Released/or will Commercially Release the related sound recording in Canada. When a Record Label is the Applicant, it is expected to retain control of the title in Canada for a minimum of 5 years from the Release Date.
10. The video production must have TWO of the following elements:

- a. A Canadian video director
  - b. A Canadian-owned video production company
  - c. A video production company located in Canada (which may be not Canadian-owned)
11. Applicants must submit a production plan and video treatment that outlines the creative direction of the video, including notes on script, action, “look and feel”, and so on.
  12. FACTOR must be acknowledged in the end credits, on all digital and physical copies of the video, and/or wherever production credits for the track may be listed, even if the video is being licensed, co-produced, shared or released outside of Canada by a third party. Please review the [Logo and Acknowledgment Guide](#) for specific instructions. FACTOR will require that videos uploaded for public viewing without proper logo and acknowledgment be taken down and revised. Remember, the failure to provide appropriate logos and acknowledgment could result in a loss of some or all of your funding.
  13. The funded video must be released for public viewing no later than six months after completion. A later release may be allowed with FACTOR’s express consent.
  14. As a condition of funding, FACTOR reserves the right to use all or a portion of the funded video(s) for FACTOR’s own promotional purposes.

## Eligible Costs – Video

15. The Eligible Costs in this section are specific to the Video Component. Please also review [Eligible Costs – General Terms](#) in the Program Guidelines. 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.
16. Funding under the FACTOR Video Program must be used to pay for the cost of producing a music video; for example, hiring a producer, production company, production personnel and talent, storyboarding, renting equipment and facilities, editing and creating video masters.
17. Applicants must submit a detailed budget on Application. FACTOR will only recognize the costs which it deems Eligible Costs in the budget. FACTOR will remove ineligible costs from the budget, and the FACTOR contribution may be reduced accordingly. Please consult the [Business Policies: Eligible Costs – General Terms](#) for general information. If you have any questions about the eligibility of a particular cost, please contact FACTOR in advance.
18. To be recognized as Eligible Costs, all talent and crew members including the producer and director must be Canadian citizens or Permanent Residents of Canada, except by special permission of FACTOR.
19. Generally, costs must be paid to Canadian companies located in Canada or paid to Canadian citizens/ permanent residents for work performed within Canada. However, if the production is taking place outside of Canada, FACTOR may allow, on a case-by-case basis, costs related to Canadian personnel traveling to work on the video production in a non-Canadian location, such as airfare, hotels, salaries and per diems. If you intend to request non-Canadian costs in your application Budget, you are encouraged to either discuss it with FACTOR in advance, or provide a thorough explanation in your application.
20. If a production company is used and charges an “all-inclusive” fee, a copy of their itemized cost breakdown (“top sheet”) listing all in-house and sub-contractors costs is required when turning in your completion to FACTOR. FACTOR reserves the right to audit any of the costs included in that all-inclusive fee, and to reject any costs it deems ineligible. It is advisable to inform the production company of this rule ahead of time, so that proper documentation can be provided when requested by FACTOR.

21. 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. This rule also applies to any third-party production company or producer you engage to produce the video(s). Please see [Business Policies: Eligible Costs – General Terms](#) for additional details regarding In-House and Related Party costs.
22. Ineligible costs for Video include:
  - a. Non-Canadian producer fees and related costs
  - b. Music videos receiving any funding from MuchFACT
  - c. Non-Canadian production costs such as equipment rentals, facilities fees, and costs related to non-Canadian talent unless pre-approved by FACTOR
  - d. All In-Kind and Donated Services
23. Administration Fees for the Video Component will be calculated for all Programs as follows: 15% of total Eligible Costs to a maximum of \$1,500.

## Component Completion

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

24. 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, 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.
25. In addition to the Program completion requirements, to complete the Video Component the Applicant must:
  - a. Complete the online Completion: Goals (Results), Component Information, Public Funding, and Budget. Budget detail applies even if the video(s) were produced by a third-party production house or producer working under an “all-in” invoice. In the event that the Component or Application is audited by FACTOR or by FACTOR’s independent auditor, the Applicant will be expected to provide each and every receipt, invoice, and Proof of Payment; therefore, Applicants are urged to make sure this documentation is passed on to them from their producer or production house.
  - b. Submit a permanent link to streaming copy of the video(s) (e.g. YouTube, Vimeo, artist’s website), provided that the production credit roll must be visible. FACTOR must be acknowledged in the end credits, on all physical copies of the video, and/or wherever production credits for the track may be listed. Please see [Business Policies: Logo and Acknowledgment](#).
  - c. Submit a [Supplier’s Declaration and Undertaking](#) signed by each Video Producer.
  - 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.