

VIDEO Program Guidelines

Program Intent

The objective of the Video program is to help finance original video content that supports eligible Canadian-owned and -controlled sound recordings by Canadian artists.

Program Overview

- 1. This program is open to artists rated 2 and 3 who are not currently funded for video via other FACTOR programs, such as Company Envelope, Artist Entrepreneur, or Juried Sound Recording. Funding is calculated as:
 - Artist 2: up to 50% of the total eligible budget to a maximum of \$20,000 per FACTOR fiscal or;
 - Artist 3: up to 50% of the total eligible budget to a maximum of \$30,000 per FACTOR fiscal.
- 2. All expenses related to the project must be incurred within the program year (invoiced and paid April 1–March 31).
- 3. FACTOR reserves the right to reject applications or withdraw offers of funding where the video content produced is not in compliance with section 6.0 of FACTOR's Business Policies regarding Offensive Material. No portion of FACTOR's funding shall be used towards and none of the Project costs may include the creation of any intellectual property and material that is or contains:
 - a) Hate propaganda, obscene or child pornography, or any other illegal material as defined in the Criminal Code:
 - i. Pornography or other material having significant sexual content unless it can be demonstrated that there is an overriding educational or other similar purpose;
 - b) Excessive or gratuitous violence, and
 - c) Material that is denigrating to an identifiable group, or any other similarly offensive material.
- 4. Funding for this program is provided by Canada's Private Radio Broadcasters and the Department of Canadian Heritage via the Canada Music Fund's Individual Initiatives component.

Application Deadline

- 5. **Rolling deadline**, but must be **submitted by January 15, 2026**, to be considered for the current fiscal program year (April 1 to March 31). Applications submitted after that date will be considered for the following program year unless the project can conclude, with the completion report submitted by March 15.
- 6. Song(s) being applied for must have been commercially released no earlier than 6 months prior to application. For upcoming releases, applications may be submitted 3 months prior to upcoming release date provided evidence of release date is included. Should the date of release change so that the application was submitted outside the stipulated three-month window, the offer of funding will be withdrawn. The project is considered commercially released once the first single is offered for public sale, download, stream, or other methods of commercial consumption.
- 7. Review of applications takes up to six weeks from the date of application.

Who Can Apply

- 8. Eligible projects for artists rated 2 or 3
- 9. The applicant must be the entity that controls the Canadian commercial release rights and exclusive Canadian exploitation rights to the sound recording at the time of application. Typically, this will be:
 - a) 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;
 - b) 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 approved before the label can apply.
- 10. 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.
- 11. If the Applicant is the artist, the artist must be the owner as described in 9a above and must have control of the Canadian copyright in the sound recording. The sound recording must not be the subject of any license or recording agreement at the time of application. Please see <u>Business Policies: Disposition of Masters</u>.

Ineligible to Apply

- 12. The following are ineligible to apply:
 - a) Active recipients of Company Envelope program funding
 - b) Active recipients of Artist Entrepreneur program funding
 - c) Recipients with an active Juried Sound Recording (Album and Single/EP) project
 - d) Non-Canadian record labels
 - e) Artists rated General at FACTOR
 - f) Applications already submitted to Musicaction

How to Apply

- 13. Before you can apply, you must have a reviewed and rated Applicant Profile and Artist Profile.
- 14. Log in to FACTOR's client portal

The following information is mandatory in the application. Failure to provide this material will result in the application being rejected as ineligible:

- a) Production start date
- b) Goals
- c) Video type
- d) Applicable song(s) with upload of MP3 and lyrics
- e) Shoot location
- f) Treatment/production plan
- g) Planned video release date
- h) Budget and eligible costs
- 15. The production plan and video treatment should outline the creative direction of the video content, including notes on script, action, and "look and feel". If the video treatment provided upon application does not comply with FACTOR's policies regarding Offensive Material the application will be rejected. Material changes to treatment must be approved by FACTOR in advance.
- 16. FACTOR welcomes and encourages applications from people with disabilities. Please review the Accessibility_Support_Fund and contact your Project Coordinator or ClientServices@factor.ca to discuss options for accommodations throughout the application process.

How This Program Works

- 17. The Video program funds the production of high-quality music videos and visual content that supports active sound recordings owned and controlled by Canadian artists or labels. Examples of eligible materials and activities include, but are not limited to:
 - a) Traditional music videos (i.e. for a single track from a qualifying album)
 - b) Long-form promotional, EPK, etc.
 - c) Short-form under 90 seconds in length
 - d) Lyric videos / visualizers
 - e) Live performance
- 18. The company or individual engaged to create the video content must be Canadian. Exceptions may be made for non-Canadian companies that are working within Canada. These cases must be discussed with FACTOR in advance of application.
- 19. FACTOR must be recognized in the end credits, including the FACTOR logo, acknowledgments, and the Canada wordmark as found in FACTOR's Logo and Acknowledgement Guide. This includes all digital and physical copies of the video wherever production credits for the track may be listed, even if the video content is being licensed, coproduced, shared or released outside of Canada by a third party. Be sure to read our Logo and Acknowledgment Guide for the proper formatting as this may affect your funding.
- 20. Once the application is approved, changes to the proposed activities, whether affecting content or changes impacting 20% or more of eligible costs must be approved by FACTOR.
- 21. The funded video must be released for public viewing no later than 12 weeks after Completion.
- 22. **Recipient Accessibility Support Fund**: FACTOR funding recipients are eligible for support to their project funding for costs related to accessibility. FACTOR will allow applications in this fund for up to \$5,000 each fiscal year. This fund is open to artists and staff of music companies associated with the project Artist or Applicant. Support for this fund is provided exclusively by Canada's Private Radio Broadcasters. See more details on <u>FACTOR's Accessibility page</u>.

Eligible Costs

- 23. Funding must be used to pay for the cost of producing video-based marketing materials, such as hiring a producer, videographer, video editor, production personnel and talent, rental equipment and facilities, and post-production.
- 24. Applicants must submit a detailed budget on application. FACTOR will remove ineligible costs from the budget and the FACTOR contribution will be reduced accordingly. Please consult the Business Policies: Eligible Costs. If you have any questions about the eligibility of a particular cost, please contact FACTOR before incurring that cost.
- 25. Eligible costs must be:
 - a) Verified costs included in application and approved by FACTOR;
 - b) Incurred after the application has been submitted and paid before the final Completion deadline;
 - c) Paid to Canadians and Canadian-owned and -controlled companies. 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, such as airfare, hotels, salaries and per diems. If you intend to request non-Canadian travel costs in your application budget, you must discuss it with FACTOR in advance and provide a thorough explanation in your application if approved by your Project Coordinator.
- 26. Ineligible costs 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) Membership fees such as union dues
 - d) Penalties, fines, or pension contributions
 - e) Artist member performance fees
 - f) Donated services for musicians' fees
 - g) Costs toward videos for tracks not on the qualifying release, such as remixes
 - Non-Canadian productions costs, such as producers and crew, equipment rentals, facilities fees, and costs related to non-Canadian talent
 - i) Grant writing, grant administration, and grant management services.

- 27. In-house costs must be charged, in FACTOR's sole opinion, at verifiable fair market value with no mark-up and are capped at 25% of the total eligible costs. For in-house services, the party providing the services must be in the business of, or professionally employed to provide such services. Allowable costs paid to related parties must also be charged at verifiable fair market value with no mark-up.
- 28. Costs must be verifiable with invoices and proofs of payment to be submitted upon Completion and must include:
 - a) The name and address of the organization or individual who provided the goods or services;
 - b) The name of the individual who purchased the goods or service;
 - c) The goods or services purchased in detail, such as item description, quantity, unit price, extended price, additional charges and applicable taxes;
 - d) The transaction date (including the dates of service or delivery if applicable).
 - e) Examples of eligible proof of payment include cheque, email transfer, credit card, interbank transfer, wire transfer, and money orders.

29. Cash payments

- a) Incidental purchases under \$100 (e.g. gas, small goods) must be supported by a detailed receipt;
- b) Lease or purchase of goods and services under \$500 must be supported by a detailed receipt issued by the payee.
- c) Per diems must be supported by a FACTOR-provided Receipt for Services form signed by the payee.

30. Musicians' fees

- a) Are capped at a rate of \$300 per day and supported by an invoice and proof of payment;
- b) Per diems paid to musicians will be recognized in addition to the above rates, to a maximum of \$50 per person per day.
- 31. Travel costs follow the rates specified in the Government of Canada Travel Directive.
 - a) Accommodations are eligible to a maximum of \$300 per room, per night. Other caps may apply—see Business Policies: Eligible Costs.
 - b) Flight costs at economy rate only.
 - c) No dollar value will be attributable to air miles, frequent flyer points or similar programs. However, FACTOR may recognize a fee charged by the points provider.
 - d) 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. If 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.
- 32. In this program, FACTOR allows Administration expenses to be included within Total Eligible Costs. The Administration Expenses are intended to contribute to overhead costs such as occupancy, staffing, and other day-to-day costs of running a business, which cannot be claimed elsewhere in the budget. The Administration Expenses must be documented in your cost report on Completion. If you are uncertain whether an expense is eligible to claim as part of the administration expenses, please contact your Project Coordinator.
- 33. Administration expenses in this program are subject to a 15% cap of the eligible budget, to a maximum of \$3,000. Grant writing, grant administration, and grant management are not eligible Administration Expenses. 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. FACTOR reserves the right 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. For a project and costs to remain eligible, Applicants must notify FACTOR immediately of any significant change that impacts more than 20% of the original application or budget submitted.

Funding and Payments

- 35. 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 <u>Glossary</u>: <u>Public Funding</u>.
- 36. To receive FACTOR funding, you must submit banking information for direct deposit.

- 37. FACTOR funding is paid out in two stages: (1) an advance equal to 50% of the amount of approved funding is paid out once the application is approved and the General 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.
- 38. 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 advance.
- 39. 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. The funding received from the Video program counts toward the Individual Initiatives portion of the annual funding cap. See <u>Glossary: Annual Funding Cap</u>.

Project Completion

- 41. Please see the Completion Guide for detailed instructions.
- 42. If approved, you will be given a Completion deadline of six months from your production start date. 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 component. Applicants must then upload the Cost Report along with all related payment documentation, then complete and submit all other sections of the Completion component, including Budget, Results, Component Information and Public Funding.
- 43. FACTOR requires an itemized cost breakdown ("top sheet") 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. You must also submit a Supplier's Declaration and Undertaking signed by each video producer or production company. FACTOR reserves the right to audit any of the costs included in the 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.
- 44. FACTOR also requires a URL link to a copy of the finished video(s) e.g. YouTube, Vimeo, artist's website. FACTOR may also request a digital copy of the video(s). In accepting FACTOR funding, you give FACTOR permission to share and display your video on a promotional basis.
- 45. 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.
- 46. Applicants should retain all their invoices, receipts, and proofs of payment for seven years for FACTOR and Revenue Canada taxation purposes