



**DEVELOPMENT LOAN  
GUIDELINES AND APPLICATION**

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*PLEASE REFER TO  
**GENERAL PROGRAM GUIDELINES OF THE  
NOVA SCOTIA FILM DEVELOPMENT CORPORATION**  
FOR BASIC INFORMATION.*

## DEVELOPMENT LOANS

### a. *Objectives*

The Nova Scotia Film Development Corporation (the “Corporation”) will provide a loan to qualified applicants to support the essential process of development that takes an idea for a film or television production through the stages of research, writing, market analysis, and costing. Support for the development of a project does not, in any way, guarantee equity funding by the Corporation for the project. Development funding is not available to applicants who have previously received development funding from the Corporation for the project.

### b. *Financing\**

The Corporation will provide its development funding as follows:

#### *Shooting Script and Production Development*

The Corporation will advance a maximum of \$15,000 for all stages of scriptwriting from concept through to the final draft of the screenplay, as well as pre-casting and preliminary search for shooting locations as required for scriptwriting, required travel expenses, consulting and professional expenses, normal overhead, producer’s fees, preliminary shooting schedule, preparation of a marketing plan, preparation of the final budget, completion of a shooting script, and other milestones as mutually decided. The Corporation’s contribution to the development of a production cannot exceed 33% of the development budget that is to be expended in Nova Scotia.

In exceptional circumstances the assistance levels may be increased.

The Corporation has the right to reduce its investment due to material variance in line items, reduction in the Nova Scotia labour or expenditure, or underspend in the originally approved budget as represented in the final cost report.

The Corporation may, at its discretion, require the corporate guarantee of the applicant or other guarantees, including such additional securities as promissory notes of personal guarantees, in such development projects that appear to be high risk. The Corporation will acquire the right of first refusal to participate in the Production.

With the exception of feature film projects, the Corporation also requires letters of committed financing from a broadcaster (although not *required* for feature film applicants, the existence of broadcaster or distributor interest would favourably impact the review process). Evidence of all committed development financing is required prior to finalising contracts.

Applicants of feature film projects who have no previous experience in producing a feature film must have an Executive Producer with experience in feature filmmaking committed to the project at the time of application.

Development loans are interest free and are repayable on the earlier of:

- (a) the first day of principal photography or production, or
- (b) on the optioning, sale or transfer of the property to a third party, or other disposition of the property.

**\*It should be noted that if the intention is to apply for an equity investment an application must be made at least 60 days prior to the loan maturing. If the Corporation does not wish to participate as an equity investor, the loan is due as per the original contract.**

Projects in development will be reviewed periodically. When a development budget has been approved, but the Producer is unable to demonstrate that the funds advanced by the Corporation have been used for the stated purpose, the Corporation will cancel or reduce its participation in the project and funds already advanced will become repayable, in whole or in part.

**c. *Funding Process***

The Development Loan contract between the Corporation and the Producer will detail the terms and conditions of the loan specifying the disbursement schedule for funds and reporting requirements.

If the Corporation decides to participate, a Letter of Commitment will be issued, valid for 90 days, outlining the major terms and conditions of the Development Loan contract. One 30-day extension may be granted at the discretion of the Corporation. Execution of a contract shall be subject to the completion of any other financing arrangements and outstanding conditions.

**d. *Reporting***

Projects with budgets above \$300,000 require an audited cost report; budgets in excess of \$100,000 but equal to or less than \$300,000 require a review and engagement report; and budgets equal to or less than \$100,000 require the Producer's certification of the final cost report. All reports must break out the Nova Scotia labour, Nova Scotia expenditures, and related party transactions. The Corporation has the right to request an audited cost report on any project and the Producer shall be obligated to provide the report at their cost.

**\*\* ALL APPLICATIONS WILL BE ADJUDICATED BASED ON THE "KEY COMPONENTS"  
FOUND ON PAGE 6 OF THE *GENERAL PROGRAM GUIDELINES* DOCUMENT. \*\***

Nova Scotia Film Development Corporation  
**Development Application**

*Application will be considered incomplete if form is altered in any manner.*

A. GENERAL INFORMATION

1. Title of project: \_\_\_\_\_

2. Company name and contact: \_\_\_\_\_

\_\_\_\_\_

Is your company incorporated?      Yes         No  

3. Address: \_\_\_\_\_

\_\_\_\_\_

Telephone: \_\_\_\_\_      Fax: \_\_\_\_\_

4. Nova Scotia Company Registration Number: \_\_\_\_\_

5. Date of Incorporation/Registration: \_\_\_\_\_

6. Your lawyer's name and address: \_\_\_\_\_

\_\_\_\_\_

Telephone: \_\_\_\_\_      Fax: \_\_\_\_\_

7. Your accountant's name and address: \_\_\_\_\_

\_\_\_\_\_

Telephone: \_\_\_\_\_      Fax: \_\_\_\_\_

8. Name and address of your bank and account representative: \_\_\_\_\_

\_\_\_\_\_

Telephone: \_\_\_\_\_      Fax: \_\_\_\_\_

B. ADDITIONAL MATERIAL You must provide the following documentation:

1. Detailed description of what you intend to accomplish in development;
2. Schedule for development;
3. Detailed development budget showing **Nova Scotia labour** and **Nova Scotia expenditure** by line item;
4. Evidence of all committed financing;
5. Letter of committed financing from a broadcaster for television productions (although not *required* for feature film applicants, the existence of such interest from a distributor or broadcaster for feature films would favourably impact the review process). Producers with no previous feature film experience must secure participation of an experienced Executive Producer who has experience in producing feature films satisfactory to the Nova Scotia Film Development Corporation prior to application;
6. Business plans for Production Company;
7. Proposed marketing plans for the completed project;
8. (a)\*Most recent financial statement of applicant corporation and any related corporations;  
(b)\*Incorporation certificate and Memorandum of Association and Articles of Incorporation;  
and  
(c)\*Name, address, citizenship and number of shares (common and preferred) for all shareholders.  
(\* Note: This information will be kept confidential – **it must be provided for each application, if not on file with the Corporation. It is the responsibility of the applicant to ensure, prior to applying, that the information is on file with the Corporation. Applications not containing this information will be considered incomplete and will not be reviewed.** If a number of projects are applying for funding at the same time, one set of this information will be accepted.)
9. Draft script, where applicable;
10. 1 copy of the treatment, outline or screenplay;
11. 1 copy of the original literary property and literary property agreements, where applicable;
12. Agreement(s) pertinent to the writing of the screenplay, where applicable;
13. Résumés and background information for producers, screenwriters, etc.;
14. Letter of permission to discuss the project with other financial participants and broadcasters/distributors;
15. Funding Round Application Checklist for Development Loan Applications;
16. Any additional information relevant to this application.

C. PROJECT INFORMATION

1. <u>Confirmed Production staff:</u>	<u>Name</u>	<u>Canadian Citizen/ Landed Immigrant</u>	<u>NS Resident</u>
Producer	_____	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Executive Producer	_____	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Director	_____	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Script Editor	_____	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Writer	_____	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Researcher	_____	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Other confirmed personnel	_____	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>

2. If the script is based on another work:

(Title of work) \_\_\_\_\_

(Name of Author) \_\_\_\_\_

(Province of Residency) \_\_\_\_\_

3. Project Category:

Feature Film     TV Special     Made for TV Feature   
 Mini-series     Pilot     Series

4. Original Version:

English     French     35mm   
 16mm     Video     Other   
 Inch Colour     # of Segments \_\_\_\_\_    Length in Minutes \_\_\_\_\_

5. Proposed dates and specific locations for shooting:

Within Nova Scotia (specify): \_\_\_\_\_

Outside Nova Scotia: \_\_\_\_\_

6. Project Financing (NS Film Development Corporation maximum: \$15,000)  
*(Rounded to nearest dollar)*

(a) Development	<u>Projected</u>	<u>Committed</u>
NS Film Development Corporation	\$ _____	\$ _____
Telefilm	\$ _____	\$ _____
Distributor/Sales Agent (Cdn)	\$ _____	\$ _____
(Foreign)	\$ _____	\$ _____
Pay TV	\$ _____	\$ _____
Broadcaster	\$ _____	\$ _____
Other Investment (specify)	\$ _____	\$ _____
Producer	\$ _____	\$ _____
Totals	\$ _____	\$ _____

**TOTAL BUDGET FOR DEVELOPMENT** \$ \_\_\_\_\_  
**Nova Scotia Budget** \$ \_\_\_\_\_  
**Nova Scotia Labour** \$ \_\_\_\_\_  
**Total Labour** (for co-productions only) \$ \_\_\_\_\_

(b) <i>Projected</i> Production Financing	<u>Projected</u>	<u>Committed</u>
NS Film Development Corporation	\$ _____	\$ _____
Telefilm	\$ _____	\$ _____
Distributor/Sales Agent (Cdn)	\$ _____	\$ _____
(Foreign)	\$ _____	\$ _____
CTF	\$ _____	\$ _____
Broadcaster	\$ _____	\$ _____
Private Investment	\$ _____	\$ _____
Producer	\$ _____	\$ _____
Other	\$ _____	\$ _____
Totals	\$ _____	\$ _____

**TOTAL PROJECTED BUDGET FOR PRODUCTION** \$ \_\_\_\_\_  
**Nova Scotia Budget** \$ \_\_\_\_\_  
**Nova Scotia Labour** \$ \_\_\_\_\_  
**Total Labour** (for co-productions only) \$ \_\_\_\_\_

7. Are you including a diversity plan for the production? Yes  No

If yes, please include a copy of the diversity plan.

8. For what other project(s) have you received assistance from the Province of Nova Scotia?

\_\_\_\_\_

9. Has this project received previous financial assistance other than as listed above?

Amount \$ \_\_\_\_\_ Date received \_\_\_\_\_

From whom \_\_\_\_\_

10. Has this project had any other title(s)? If yes, specify:

\_\_\_\_\_

The undersigned certifies that the information provided herein and attached is accurate and complete and that he/she has read and complied with the Nova Scotia Film Development Corporation's guidelines.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
(Print Name)

Date: \_\_\_\_\_

A related party transaction is a payment from the production budget to non-arm's length parties. Generally speaking this includes:

- All payments to producers (producers' fees; travel expenses; other fees paid back to producer – i.e. if producer is also the director; etc.);
- All costs related to the Applicant, its parent, subsidiary or affiliated company, or a legal entity that is under the direction, ownership or control of a shareholder, director or employee of the foregoing and all persons or entities employed by these entities (i.e. corporate overhead; producer-owned equipment and services);
- All payments to immediate family members and persons or entities employed by any of the above (i.e. in-house staff paid from production budget);
- All Broadcaster-owned equipment and services (i.e. cameras, editing equipment, etc.); Broadcaster in-house technical staff; Broadcaster post house affiliated costs; and any other fees paid back to a Broadcaster (including Broadcaster interim financing).

### Applicant Costs

BUDGET ACCOUNT #	DESCRIPTION	BUDGET AMOUNT IN CDN \$
		\$
		\$
		\$
		\$
		\$
		\$
		\$
	SUBTOTAL	\$

### Broadcaster Costs

- All Broadcaster-owned equipment and services (i.e. cameras, editing equipment, etc.); Broadcaster in-house technical staff; Broadcaster post house affiliated costs; and any other fees paid back to a Broadcaster (including Broadcaster interim financing).

BUDGET ACCOUNT #	DESCRIPTION	BUDGET AMOUNT IN CDN \$
		\$
		\$
		\$
		\$
		\$
		\$
		\$
	SUBTOTAL	\$

### Other investor costs

- All other investors (i.e. services as equity) and interim financiers (i.e. service charges).

BUDGET ACCOUNT #	DESCRIPTION	BUDGET AMOUNT IN CDN \$
		\$
		\$
		\$
		\$
	SUBTOTAL	\$
	TOTAL RELATED COSTS	\$



## Nova Scotia Film Development Corporation

### *Funding Round Application Checklist for Development Loan Applications*

Please ensure that you have included the items listed below with your application submission. Failure to do so will identify your application as incomplete and **incomplete applications will not be processed.**

Did you supply *all* the information requested in the application form including, **but not limited to**, the following?

- Detailed description of intended accomplishments
- Schedule for development
- Detailed development budget showing Nova Scotia labour and Nova Scotia expenditure by line item
- Completed Related Party Transactions form
- Evidence of all committed financing
- Letter of committed financing from a broadcaster for television productions (although not *required* for feature film applicants, the existence of such interest from a distributor or broadcaster for feature films would favourably impact the review process)
- Business plans for Production Company
- Proposed plans for marketing the completed project
- Most recent financial statements, shareholder information, incorporation certificate and memorandum of association and articles of incorporation
- Draft script, where applicable
- Copy of treatment, outline or screenplay
- Copy of original literary property and literary property agreements, where applicable
- Agreements pertinent to writing of screenplay, where applicable
- Résumés and background information for producers, screenwriters, etc.
- Letter of permission to discuss project
- Additional information relevant to this application

***Please enclose this checklist at the front of your application package.***

**Incomplete packages will be returned to the applicant with the missing information identified on the application checklist. These applications cannot be resubmitted until the next funding round.**