



## Broadcasting Decision CRTC 2012-241

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Route reference: 2011-525

Additional references: 2011-525-1, 2011-525-2 and 2011-525-3

Ottawa, 26 April 2012

### **Astral Media inc., on behalf of various licensees**

Across Canada

*The application numbers are set out in the appendices to this decision.*

*Public hearing in Montréal and Québec, Quebec*

*5 December 2011*

### **Astral Media inc. – Group-based licence renewals**

*The Commission **renews** the broadcasting licences for the various specialty and pay television services affiliated with the Astral Media inc. broadcasting ownership group for a five-year term, i.e. from 1 September 2012 to 31 August 2017.*

#### **Introduction**

1. The Commission received applications by Astral Media inc. (Astral), on behalf of the licensees listed in Appendix 1 to this decision, to renew the broadcasting licences for the specialty and pay television Category A services and specialty and pay television Category B services set out in the same appendix.
2. In Broadcasting Regulatory Policy 2010-167 (the group-based approach), the Commission set out a new approach to the licensing of large English-language television ownership groups.
3. As stated in section 3(1)(c) of the *Broadcasting Act* (the Act), English- and French-language broadcasters, while sharing common aspects, operate under different conditions and may have different requirements. In Broadcasting Notice of Consultation 2011-525, the Commission noted that, with two exceptions, the group-based approach applies only to large, English-language private television ownership groups. These exceptions relate to an amendment to the *Television Broadcasting Regulations, 1987* regarding Canadian content and a change to the Commission's policy regarding licence-fee top-ups. In the same notice, the Commission stated that it intended to examine, on a case-by-case basis, the requirements appropriate to the circumstances of each French-language television broadcaster.
4. Astral requested that the Commission renew the licences for its television services under the group-based approach, with the exception of the two conventional

television stations CJDC-TV Dawson Creek and its transmitters and CFTK-TV Prince Rupert and its transmitters, the licences for which are renewed in Broadcasting Decision 2012-244, also issued today. The Commission's decision on the applicability of the group-based approach for Astral services is set out paragraph 15. Astral also submitted an application for the revocation and the issuance of a new licence for its specialty Category A service Vrak.TV, the current licence for which expires on 31 August 2013, so that this service could be addressed in the context of the current proceeding.

5. The Commission received numerous interventions relating to the above-noted applications. The public record for this proceeding can be found on the Commission's website at [www.crtc.gc.ca](http://www.crtc.gc.ca) under "Public Proceedings."
6. Having examined the complete record for this proceeding, the Commission considers that the following issues should be examined in greater detail:
  - the group-based approach;
  - Canadian programming expenditures (CPE);
  - expenditures on programs of national interest (PNI) and independent production;
  - financial issues:
    - under-expenditures and over-expenditures relating to CPE and PNI requirements;
    - use of the cash outlay method for calculating CPE and PNI expenditures;
  - the request to reduce Canadian content requirements;
  - terms of trade agreements;
  - the "Montréalization" of the airwaves and the reflection of official language minority communities (OLMCs);
  - proposed licence amendments for the following services:
    - Canal D;
    - MusiMax and MusiquePlus;
    - Séries+; and
    - Vrak.TV.

## The group-based approach

7. In its licence renewal applications, Astral requested that the Commission designate it as a group so as to allow it to benefit from the flexibility of the group-based approach. Astral proposed to allocate CPE between its specialty and pay television services as well as between its French- and English-language services. It noted that its revenues were derived almost equally from its French-language services (55%) and its English-language services (45%). According to Astral, its structure and operations make it a truly bilingual group. Astral further requested that Disney Junior, a specialty Category B service with fewer than 1 million subscribers, not be considered part of the group since it does not conform to the criteria of the group-based approach.
8. The Commission received interventions in support of Astral's request to be designated as a group from Bell Media Inc. (Bell), Corus Entertainment Inc. (Corus) and the Association des producteurs de films et de télévision du Québec (APFTQ).
9. The Commission also received interventions opposing the request from Quebecor Media Inc., on its own behalf and on behalf of TVA Group Inc. and Videotron G.P. (QMI), the Conseil provincial du secteur des communications, and V Interactions inc., as well as a joint intervention by the Union des artistes (UDA); the Société des auteurs de la radio, télévision et cinéma (SARTEC); and the Association des réalisateurs et réalisatrices du Québec (ARRQ) (UDA/SARTEC/ARRQ). These interveners submitted that the definition of an ownership group set out in the group-based approach does not apply to the French-language market.
10. The Canadian Media Productions Association (CMPA), the Writers Guild of Canada (WGC) and the Canadian Association of Film Distributors and Exporters (CAFDE) also opposed Astral's request to be designated as a group. These interveners expressed concern that Astral would unduly redirect expenditures normally earmarked for English-language services to French-language services, where Canadian content was more easily made profitable. Additionally, the CAFDE submitted that the inclusion of pay television services within the Astral group would reduce the broadcaster's support for Canadian feature films.
11. In Broadcasting Notice of Consultation 2011-525, the Commission stated its intent to address the applicability of the group-based approach to the private television services in the French-language market.
12. In Broadcasting Decision 2011-441, the Commission reiterated that the group-based approach was developed to prepare the broadcasting industry and the Commission for the current reality of the Canadian broadcasting system, in which most Canadian programming services operate as part of large, integrated groups. The Commission accordingly reduced its focus on the concept of Canadian exhibition and concentrated to a greater extent on the level of production expenditures on Canadian programming. The new policy thus ensures stable support for the creation of Canadian programming, particularly with respect to programming genres that are under-represented in the Canadian broadcasting system.

13. After examining the applications, the interventions and Astral's replies, the Commission considers it appropriate to designate Astral as a group in recognition of its unique operating reality, namely the fact that its services must meet comparable requirements in both linguistic markets in Canada and that the revenues it derives from the two markets are almost equal. To ensure that this flexibility does not unduly disrupt the existing balance between the two linguistic markets, the Commission will monitor the allocation of CPE between the French- and English-language services over the licence term and will assess the extent of these allocations at Astral's next licence renewal. Finally, the Commission notes that a Canadian exhibition requirement has been imposed on each service in the Astral group, thereby enabling each service to contribute significantly and in its own way to the creation and presentation of Canadian programming that is appropriate to its nature of service.
14. The Commission further considers that if the pay television services were required to limit their allocation of expenditures to other services, Astral would not be able to benefit fully from the advantages of the group-based approach. The Commission is of the view that the inclusion of pay television services in the Astral group for the purpose of calculating CPE and PNI expenditures will ensure that feature films continue to receive significant funding from pay television services, since PNI expenditure requirements include feature films.
15. In light of the above, the Commission **approves** Astral's request to be considered a group in order to enable it to benefit from the flexibility of the group-based approach. Consistent with Astral's request, Disney Junior will not be considered part of this group.

### **Canadian programming expenditures**

16. In Broadcasting Decision 2011-441, the Commission adopted a CPE level based on historical expenditures for large English-language groups. In this case, Astral requested that the Commission adopt a similar approach and proposed a CPE level of 30% of the group's gross revenues in the preceding broadcast year.
17. The Commission considers that the level proposed by Astral is consistent with total average CPE expenditures for specialty and pay television services, as well as the average CPE expenses over the previous three broadcast years for services that currently do not have CPE requirements. Accordingly, the Commission imposes on Astral a **condition of licence** requiring it to reach a CPE level of 30% of the gross revenues for the preceding broadcast year for all services in the Astral designated group.

### **Expenditures on programs of national interest and on independent production**

18. The Commission notes that Astral operates in both linguistic markets and that these markets have different requirements. The Commission considers it appropriate for the English-language services to maintain the categories of PNI set out in the

group-based approach, namely categories 2(b) Long-form documentary, 7 Drama and comedy and eligible Canadian award shows. For the French-language services included in the Astral designated group, the Commission considers that PNI should comprise programs drawn from categories 2(b), 7, 8(a) Music and dance other than music video programs or clips, 8(b) Music video clips, 8(c) Music video programs and 9 Variety.

19. In its applications, Astral did not propose requirements for PNI expenditures, nor a minimum level for independent production expenditures.
20. At the hearing, Astral stated that it was prepared to adopt an approach similar to that adopted by the large English-language groups, namely a PNI expenditure level based on historical expenditures. Astral proposed to devote to PNI expenditures 12% of the previous broadcast year's revenues and suggested the same components for PNI as for English-language groups, namely programs drawn from categories 2(b), 7 and eligible Canadian award shows. Astral wished to exclude the following from the calculation of PNI expenditures:
  - program inventory write-downs;
  - script and concept development expenditures for programs not telecast; and
  - loss on capital investment and/or principal on loans.
21. Additionally, Astral stated that it was prepared to allocate 75% of the PNI expenditures for all the services in the group to independent production.
22. The Commission notes that the elements that Astral wishes to exclude from the calculation of PNI expenditures, as set out in paragraph 20 above, are currently included in the calculation of CPE and PNI expenditures for English-language groups and in the calculation of Astral's CPE requirements. Accordingly, these elements will be included in the calculation of PNI expenditures for the Astral group.
23. In light of the inclusion of these elements in the calculation and the program categories that will now be included in the PNI in each market, the Commission imposes a PNI expenditure requirement of 16% of the previous broadcast year's revenues for the services in this group. Astral is also required to allocate 75% of PNI expenditures to independent production. The Commission notes that Astral indicated that it was prepared to submit an annual report to demonstrate its compliance with these requirements.
24. The Commission expects Astral to file the report on PNI expenditures allocated to independent production with the Commission at the same time as Astral files its other annual reports.

## Financial issues

### Under-expenditures and over-expenditures relating to CPE and PNI requirements

25. In Broadcasting Decision 2011-441, the Commission set the limit for the carry-over by the large groups to the next broadcast year of CPE and PNI under- or over-expenditures relative to the minimum required expenditure at 5%. Astral requested that the Commission not impose this limit on the Astral group. The Commission received interventions in support of Astral's request from Bell, Corus and Rogers Media Inc.
26. The Commission considers that the ability to carry over under- or over-expenditures to the next broadcast year is a useful tool for groups to manage both CPE and PNI expenditures, particularly in the case of multi-year projects. However, the Commission considers it appropriate to limit the carry-over of under- or over-expenditures relative to the minimum required expenditure to 5%, given that the Astral group will be able to count the CPE of one qualifying service toward meeting the CPE requirement of another service.
27. In light of the above, the Commission imposes a **condition of licence** limiting to 5% the carry-over to the next broadcast year of CPE and PNI under- or over-expenditures relative to the minimum required expenditure. Under-expenditures from a given broadcast year must be spent in the next broadcast year and over-expenditures greater than 5% may not be deducted from CPE and PNI expenditure requirements in the subsequent broadcast year(s).

### Use of the cash outlay method for calculating CPE and PNI expenditures

28. In its applications, Astral requested that it be authorized to calculate CPE on a cash outlay basis for all of its services. The Commission notes that Astral is currently authorized to calculate its CPE on a cash outlay basis for its pay television services The Movie Network, Super Écran, MPix and Family Channel.
29. At the hearing, Astral agreed to transition to the accrual accounting method within a period of three years, which would allow it to adapt its accounting system. The Commission considers the timeframe for the transition reasonable. Accordingly, the Commission directs The Movie Network, Super Écran, MPix and Family Channel to calculate their CPE exclusively under the accrual method, which uses amortization.
30. The related conditions of licence imposed on The Movie Network, Super Écran, MPix and Family Channel set out in the appendices to this decision accordingly provide each of these services with three years to align their expenditures with the accrual method. Account reconciliations must be included with the annual return for each of these services for the first three years of the licence term. The account reconciliation must itemize the CPE expenditures as calculated using the accrual method relative to the CPE expenditures as calculated under the cash outlay method.

31. However, the Commission considers it appropriate to maintain the authorization to include equity investments made on a cash outlay basis in the calculation of the CPE of pay television services. The Commission considers that such an authorization provides an incentive to ongoing investment in Canadian feature films. Accordingly, The Movie Network, Super Écran, MPix and Family Channel will be required to provide proof of payment for all equity investments on a yearly basis. All other expenditures included in the CPE must be calculated on an accrual basis.

### **Request to reduce Canadian content requirements**

32. In its renewal applications, Astral requested a reduction in Canadian content requirements for all its specialty Category A services. The proposed reduction amounts to either 5% or 10%, depending on the service. At the hearing, Astral revised its proposal and requested a 5% reduction in Canadian content requirements for all its services, with the exception of the Séries+ service, for which it did not request any reduction.

33. According to Astral, maintaining a CPE level based on a percentage of revenues and greater flexibility in the allocation of CPE among a group's various services encourage the creation of Canadian content with a higher hourly budget that is more likely to attract a higher number of viewers in Canada and to be exported. Finally, Astral was of the view that its specialty Category A services should benefit from the reduced Canadian exhibition requirement that conventional broadcasters are allowed under the group-based approach.

34. The Commission received several interventions opposing the proposed reduction in Canadian content requirements, notably from the UDA/SARTEC/ARRQ, the WGC, the Documentary Organization of Canada and the Ministère de la Culture, des Communications et de la Condition féminine. These interveners submitted that a reduction in Canadian content was inconsistent with the objectives of the Act since private programming undertakings should contribute significantly to the creation and presentation of Canadian programming. The Commission also received an intervention in support of the request from the APFTQ.

35. After examining the complete record of this proceeding, the Commission considers that Astral did not provide sufficient justification for its proposed reduction in Canadian content with respect to most of its specialty Category A services. The Commission is of the view that the reduction in Canadian content requirements for conventional television services set out in the group-based approach reflects the particular situation of conventional television services and does not apply to Astral's specialty services, which for the most part are profitable. However, with respect to MusiquePlus and MusiMax, the Commission considers that the licensee sufficiently demonstrated that the market share losses and recurring financial difficulties experienced by these services in recent years justify a reduction in the percentage of Canadian content that must be broadcast by these services. Accordingly, the Commission **approves** Astral's requests to reduce the Canadian content level that

must be broadcast for MusiquePlus and MusiMax to 55% and **denies** the requests to reduce the Canadian content level for Astral's other specialty Category A services.

### **Terms of trade agreements**

36. Terms of trade agreements relate to the establishment of terms and guidelines between broadcasters and independent producers for the negotiation of broadcast rights and rights for digital media. The development of mutually acceptable terms of trade agreements has become an increasingly important issue in recent years as independent producers and broadcasters seek to monetize their respective expenditures and efforts across multiple platforms.
37. In Broadcasting Public Notice 2007-53 and in a number of policies and decisions issued since that notice, the Commission has stated that the establishment of terms of trade agreements between independent Canadian television programming producers and broadcasters would provide stability and clarity for both producers and broadcasters and would be in the interest of the broadcasting industry as a whole. Accordingly, the Commission noted the importance to the industry of having clear terms and guidelines to enable broadcasters and producers to enter into trade agreements that cover all types of rights, including rights related to new viewing platforms, in order to ensure the presence of quality Canadian content on the new platforms.
38. In Broadcasting Notice of Consultation 2011-525, the Commission stated that it intended to address at the hearing the status of negotiations to develop appropriate frameworks for negotiating individual agreements concerning the ownership and exploitation of digital rights with the television production sectors in the French-language market.
39. The Commission notes that Astral has entered into agreements with the APFTQ and the CMPA for all of its services. The Commission congratulates Astral for concluding these agreements since such agreements allow the broadcasting and production sectors to benefit from many opportunities available to them and to meet the challenges specific to the era of digital media. The Commission wishes to emphasize the importance of maintaining terms of trade agreements to ensure stability and clarity for broadcasters and producers, which is in the interest of the broadcasting industry as a whole.
40. The Commission notes that the agreements filed by Astral as part of this proceeding provide for the establishment of dispute resolution mechanisms. Accordingly, the Commission expects that any dispute concerning agreements will run its course and be handled in accordance with the terms of the agreements before the parties request the Commission's assistance in resolving matters under its jurisdiction.

## **“Montréalization” of the airwaves and the reflection of official language minority communities**

41. The Commission notes that the majority of the programming schedule of French-language conventional television services is developed and produced for Montrealers. The Commission considers it appropriate to enhance the reflection of viewers outside Montréal, including OLMCs within the broadcasting system.
42. The Commission further notes that Astral does not operate any French-language conventional television stations and that its French-language programming does not provide any significant evidence of a “Montréalization” of the airwaves. Nonetheless, the Commission considers it necessary to ensure that all services, including specialty and pay television services, make sufficient use of producers located outside Montréal and Quebec. To this end, the Commission has decided to include the following expectation in all licence renewals for French-language specialty and pay television services:

The Commission expects the licensee to ensure that the programs broadcast by the service provide an appropriate reflection of all regions of Quebec, including regions outside Montréal, and all regions of Canada. The Commission further expects the licensee to provide producers located in these regions with the opportunity to produce programs for its service.

### **Proposed licence amendments**

43. The Commission notes that Astral stated that it was prepared to accept all the conditions of licence proposed by the Commission that are now contained in the standard conditions of licence for Category A and Category B services set out in Broadcasting Regulatory Policies 2011-443 and 2010-786-1 respectively, with the exception of the condition concerning closed captioning for its MusiquePlus and MusiMax services, which is discussed below. Accordingly, the Commission imposes the appropriate standard **conditions of licence** for all Astral services, with the exception in the case of MusiquePlus and MusiMax of the conditions of licence for closed captioning.

### **Canal D**

44. At the hearing, the Commission asked Astral to provide a new definition of the nature of service for Canal D because the current nature of service was not specific. The Commission notes that the definition submitted by Astral is consistent with Canal D’s programming, which is primarily devoted to documentaries, and that the definition is sufficiently specific to ensure that the service will not be directly competitive with French-language Category A or Category C services. Accordingly, the Commission **approves** the new definition of Canal D’s nature of service.
45. Additionally, Astral requested amendments to certain of Canal D’s conditions of licence. Specifically, Astral asked the Commission to replace the limits on the

broadcast of feature films with a requirement to devote no more than 10% of the broadcast month to programs drawn from each of categories 7(d) Theatrical feature films aired on television and 7(e) Animated television programs and films. The Commission considers that these limits, combined with the new nature of service definition, are consistent with those set out in Broadcasting Public Notice 2008-100. Accordingly, the Commission **approves** the request to amend the conditions of licence of Canal D.

### **MusiMax and MusiquePlus**

46. In its renewal applications, Astral proposed a number of amendments to the conditions of licence for MusiquePlus and MusiMax to offset their shrinking audiences and revenues. Astral demonstrated, with supporting evidence, its difficulties in meeting its current regulatory requirements owing to the availability of various means for viewing music videos on digital media, which reduces its audience's interest for music video clips.
47. Astral proposed to reduce the minimum percentage of programming drawn from categories 8(b) Music video clips and 8(c) Music video programs that must be broadcast by the services from 50% of the broadcast year to 30% of the broadcast month and to increase the minimum percentage of French-language music video clips from 35% of all music video clips broadcast in the broadcast year to 50% of all music video clips broadcast in the broadcast month.
48. The licensee also applied to replace its current limitations on the broadcast of feature films with the standard limitation of 10% of the broadcast month for programming drawn from program category 7(d) set out in Broadcasting Public Notice 2008-100.
49. The Commission received interventions supporting these requests from the Association québécoise de l'industrie du disque, du spectacle et de la vidéo (ADISQ), Bell and Corus. The Commission also received opposing interventions from QMI and V Interactions. These interveners were of the view that these amendments and the proposed amendments concerning restrictions on the broadcast of programs drawn from category 7 Drama and comedy would result in these services not respecting their nature of service and thus would allow them to be competitive with other authorized Category A services or with Category C services.
50. The Commission notes that the combined effect of an approval of these two requests would be a slight decrease in the number of French-language music video clips broadcast by these services. However, given that Astral's request was supported by ADISQ, which is mandated to support the development of Quebec's music industry, the Commission is reassured that these amendments will not change the nature of service of MusiquePlus or MusiMax, two services that will continue to devote their programming to music. The Commission considers that these limits for categories are consistent with those set out in 7(d), 7(e), 8(b) and 8(c) Broadcasting Public Notice 2008-100. The Commission further reminds Astral that the programming of these services must be directly related to their nature of service. Accordingly, the

Commission **approves** the requests to amend the above-mentioned conditions of licence.

51. Moreover, at the hearing Astral committed to pursuing discussions with ADISQ to determine the adequate percentage of music video clips and music video programs that must be broadcast by MusiquePlus and MusiMax during peak viewing hours. Accordingly, within 60 days following the date of this decision, the Commission expects Astral to confirm the percentage of music video clips and music video programs that must be broadcast by MusiquePlus and MusiMax during peak viewing hours, as agreed upon by ADISQ and Astral.
52. Astral also proposed to closed caption all programming broadcast by MusiquePlus and MusiMax, with the exception of music video clips. In response to a question by the Commission, Astral stated that it was prepared to closed caption all programming, with the exception of music video clips in languages other than French since the cost of closed captioning of these video clips would be prohibitive.
53. The Commission received interventions in opposition to this request from individuals and from many groups defending the rights of persons who are deaf or hearing impaired.
54. Accordingly, the Commission imposes the following **condition of licence** on MusiquePlus and MusiMax as a replacement for the standard condition of licence:

In each year of the licence term, the licensee shall ensure that all programming broadcast in French and English during the broadcast day is closed captioned, with the exception of music video clips in languages other than French.
55. The Commission reminds the licensee that under the guidelines proposed by the French-language Closed Captioning Working Group, closed captioning must indicate the language of the song in parentheses for foreign-language songs.
56. Additionally, the Commission expects MusiquePlus and MusiMax to begin closed captioning music videos in languages other than French in order to expand their inventory of closed captioned music video clips and thus comply with the Commission's Accessibility Policy.

#### **Séries+**

57. Astral requested that the Commission delete the conditions of licence requiring that all programming drawn from categories 7(a) Ongoing dramatic series, 7(c) Specials, mini-series or made-for-TV feature films and 7(d) Theatrical feature films aired on TV be copyrighted a certain number of years prior to the date of broadcast. Astral also requested that the Commission replace the condition of licence limiting the level of programs from U.S. sources to 30% with a commitment to devote at least 25% of non-Canadian programming to programs from sources outside the U.S. during the licence term.

58. The Commission received interventions opposing these requests from QMI and V Interactions, as well as a comment from the APFTQ.
59. The Commission notes that Séries+ has a very broad nature of service definition and that its other conditions of licence, including those limiting the broadcast of recent programming drawn from certain categories, are designed to restrict the scope of the nature of service. These limits ensure that Séries+ does not lose its distinctive character, which is to offer drama and comedy programming originating to a large extent from sources other than the U.S. Accordingly, the Commission considers that the current conditions of licence for Séries+ are necessary and serve to provide consumers with a greater diversity of choice. The Commission therefore **denies** Astral's requests to amend the conditions of licence for Séries+.
60. Additionally, the Commission notes Astral's willingness to accept a condition of licence requiring it to devote a minimum of \$1.5 million each year to fund original French-language Canadian programming intended for broadcast on Séries+. A **condition of licence** to this effect is set out in appendix 7 to this decision.

#### **Vrak.TV**

61. Given that the Commission deems it appropriate to consider Astral's application to revoke and to issue a new licence for the specialty Category A service Vrak.TV, in the context of this proceeding, the Commission will now address the proposed licence amendments for this service.
62. Vrak.TV is currently subject by condition of licence to specific restrictions concerning the broadcast of advertising since the service must not distribute commercial messages during any program that has as its main target audience children up to 5 years of age.
63. In its application, Astral proposed to replace this condition of licence with the standard conditions of licence concerning advertising broadcast by specialty services, which would authorize Vrak.TV to broadcast up to 12 minutes of advertising per hour, without any restriction in the case of programs for children. Astral justified its application by noting that the Commission has authorized two specialty Category B services for children, Yoopa and Disney Junior, without imposing any specific restriction on the broadcast of advertising.
64. The Commission notes that Vrak.TV is very profitable under its current conditions of licence, that this Category A service benefits from distribution privileges as compared to Category B services, and that similar applications were denied in Broadcasting Decision 2011-446 for Treehouse TV and YTV, specialty Category A services for children. Accordingly, the Commission **denies** the request to remove the restrictions on the broadcast of advertising during programs that have children as their target audience.

65. Astral also requested an amendment to the current condition of licence for Vrak.TV concerning the broadcast of original first-run Canadian programs. The Commission notes that the condition proposed by Astral is not consistent with the definition of original first-run Canadian French-language programs used by the Commission. Specifically, the proposed condition of licence implies that a Canadian English-language program that has already been broadcast but that is subsequently dubbed in the French language would qualify as an original Canadian French-language program. Accordingly, the Commission **denies** the request to amend this condition of licence.
66. The Commission finds that it is appropriate to revoke the licence for the specialty Category A service Vrak.TV and to issue a new licence.

## Conclusion

67. In light of all of the above, the Commission **renews** the broadcasting licences for the various specialty and pay television services affiliated with the Astral broadcasting ownership group set out in Appendix 1 to this decision for a five-year term. The licences will be subject to the applicable **conditions of licence** set out in Appendices 2 through 15, as well as the standard conditions of licence set out in Broadcasting Regulatory Policies 2010-786-1 and 2011-443, except for the exceptions set out in this decision and in the appropriate appendices. The licences will take effect on 1 September 2012 and expire on 31 August 2017. The Commission also **revokes** the current licence for Vrak.TV and issues a new licence for the service under the terms and **conditions** set out in Appendix 8 of this decision.

Secretary General

## Related documents

- *CJDC-TV Dawson Creek and its transmitters CJDC-TV-1 Hudson Hope and CJDC-TV-2 Bullhead Mountain, and CFTK-TV Terrace and its transmitter CFTK-TV-1 Prince Rupert – Licence renewals*, Broadcasting Decision 2012-244, 26 April 2012
- *Development of a regulatory framework for the French-language television market, licence renewals for Astral Media Inc., Quebecor Media Inc. and Serdy Media Inc., and review of certain conditions of licence for V Interactions Inc.*, Broadcasting Notice of Consultation CRTC 2011-525, 24 August 2011
- *Corus Entertainment Inc. – Group-based licence renewals*, Broadcasting Decision 2011-446, 27 July 2011
- *Standard conditions of licence, expectations and encouragements for specialty and pay television Category A services*, Broadcasting Regulatory Policy CRTC 2011-443, 27 July 2011

- *Group-based licence renewals for English-language television groups – Introductory decision*, Broadcasting Decision CRTC 2011-441, 27 July 2011
- *Standard conditions of licence, expectations and encouragements for Category B pay and specialty services – Corrected Appendices 1 and 2*, Broadcasting Regulatory Policy CRTC 2010-786-1, 18 July 2011
- *A group-based approach to the licensing of private television services*, Broadcasting Regulatory Policy CRTC 2010-167, 22 March 2010
- *Regulatory frameworks for broadcasting distribution undertakings and discretionary programming services – Regulatory policy*, Broadcasting Public Notice CRTC 2008-100, 30 October 2008
- *Determinations regarding certain aspects of the regulatory framework for over-the-air television*, Broadcasting Public Notice CRTC 2007-53, 17 May 2007

*\*This decision and the appropriate appendix are to be attached to each licence.*

## Appendix 1 to Broadcasting Decision CRTC 2012-241

### Services renewed in this decision

Type of service	Name of service	Licensee	Application
Specialty Category A	Canal D	Astral Broadcasting Group Inc.	2011-0489-3
	Canal Vie	Astral Broadcasting Group Inc.	2011-0507-3
	Historia	Shaw Media Inc. and Astral Broadcasting Group Inc., partners in a general partnership carrying on business as Historia & Séries+, G.P.	2011-0524-7
	MusiMax	MusiquePlus inc.	2011-0523-9
	MusiquePlus	MusiquePlus inc.	2011-0522-1
	Séries+	Shaw Media Inc. and Astral Broadcasting Group Inc., partners in a general partnership carrying on business as Historia & Séries+, G.P.	2011-0525-5
	*Vrak.TV	Astral Broadcasting Group Inc.	2011-0508-1
	Ztélé	Astral Broadcasting Group Inc.	2011-0509-9
	Pay television Category A	Family Channel	The Family Channel Inc.
Mpix		Astral Broadcasting Group Inc.	2011-0510-7
Super Écran		Astral Broadcasting Group Inc.	2011-0512-2
The Movie Network		Astral Broadcasting Group Inc.	2011-0511-4

Specialty Category B	Disney Junior	Astral Broadcasting Group Inc.	2011-0513-0
Pay television Category B	Cinépop	Astral Broadcasting Group Inc.	2011-0514-8
*The licence under which the service currently operates will not expire on 31 August 2013. At the licensee's request, this licence will be revoked and a new licence will be issued that will take effect on 1 September 2012.			

## Appendix 2 to Broadcasting Decision CRTC 2012-241

### Canal D

Application 2011-0489-3, received 6 July 2011

### Conditions of licence and expectations for the specialty Category A service Canal D

1. The licensee shall adhere to the standard conditions of licence for specialty Category A services set out in *Standard conditions of licence, expectations and encouragements for specialty and pay television Category A services*, Broadcasting Regulatory Policy CRTC 2011-443, 27 July 2011, as amended from time to time.
2. (a) The licensee shall provide a national French-language specialty Category A service that provides programming devoted primarily to documentaries of all types and styles, complemented by drama and performing arts programming.  
  
(b) The licensee may draw programming from all the categories set out in item 6 to Schedule I of the *Specialty Services Regulations, 1990*, as amended from time to time.  
  
(c) The licensee shall devote at least 50% of the broadcast month to the broadcast of documentaries.  
  
(d) The licensee shall not devote more than 10% of the broadcast month to programs drawn from category 6(a) Professional sports.  
  
(e) The licensee shall not devote more than 10% of the broadcast month to programs drawn from each of categories 7(d) Theatrical feature films aired on TV and 7(e) Animated television programs and films.  
  
(f) The licensee shall not devote more than 10% of the broadcast month to programs drawn from categories 8(b) Music video clips and 8(c) Music video programs combined.
3. In each broadcast year, the licensee shall devote no less than 45% of the broadcast day and no less than 45% of the evening broadcast period to the broadcast of Canadian programs.
4. Except as provided for in conditions 5 and 9 and in accordance with *A group-based approach to the licensing of private television services*, Broadcasting Regulatory Policy CRTC 2010-167, 22 March 2010, the licensee shall in each broadcast year devote to the acquisition of or investment in Canadian programming 30% of
  - a) in the first broadcast year of the licence term, the average of the previous three years' gross revenues of the undertaking;

- b) in each subsequent broadcast year of the licence term, the previous year's gross revenues of the undertaking.
5. The licensee may count expenditures made for the acquisition of or investment in Canadian programming by one or more pay television services or specialty services from the "Astral group" in the same broadcast year towards fulfilling the requirement in condition 4 as long as these expenditures are not used by those pay television services or specialty services towards fulfilling their own Canadian programming expenditure requirement.
6. Except as provided for in conditions 7, 8 and 9 and in accordance with *A group-based approach to the licensing of private television services*, Broadcasting Regulatory Policy CRTC 2010-167, 22 March 2010, the licensee shall in each broadcast year devote to the acquisition of or investment in programs of national interest, namely programs drawn from categories 2(b) Long-form documentary, 7 Drama and comedy, 8(a) Music and dance other than music video programs or clips, 8(b) Music video clips, 8(c) Music video programs and 9 Variety, 16% of
  - a) in the first broadcast year of the licence term, the average of the previous three years' gross revenues of all specialty services and pay television services from the "Astral group";
  - b) in each subsequent broadcast year of the licence term, the previous year's gross revenues of all specialty services and pay television services from the "Astral group."
7. The licensee may count expenditures made for the acquisition of or investment in programs of national interest by one or more pay television services or specialty services from the "Astral group" in the same broadcast year towards fulfilling the requirement in condition 6 as long as these expenditures are not used by those pay television services or specialty services towards fulfilling their own programs of national interest requirements.
8. At least 75% of the expenditures in condition of licence 6 must be made to an independent production company.
9. (a) In each broadcast year of the licence term, excluding the final year, the licensee may expend an amount on Canadian programming and/or on programs of national interest that is up to 5% less than the minimum required expenditure for that year calculated in accordance with conditions 4 and 6 respectively; in such case, the licensee shall expend in the next broadcast year of the licence term, in addition to the minimum required expenditure for that year, the full amount of the previous year's under-expenditure.

(b) In each broadcast year of the licence term, excluding the final year, where the licensee expends an amount for that year on Canadian programming or programs of national interest that is greater than the minimum required expenditure as set out in conditions 4 and 6, the licensee may deduct that amount as long as it does not exceed 5% of the minimum required expenditure in that year from the minimum required expenditure for the following year of the licence term.

(c) Notwithstanding paragraphs (a) and (b) above, during the licence term, the licensee shall expend on Canadian programming and programs of national interest, at a minimum, the total of the minimum required expenditures calculated in accordance with conditions 4 and 6.

10. “Pay television services or specialty services” in conditions 5 to 7 excludes mainstream sports and news services and specialty Category B services with less than 1 million subscribers.

11. The broadcasting undertaking licensed hereby is designated as a Category A service.

## **Expectations**

The Commission expects that:

- the report on programs of national interest expenditures allocated to independent production be filed with the Commission at the same time as the licensee’s other annual reports;
- any dispute regarding terms of trade agreements with independent producer organizations run its course and be handled in accordance with the terms of the agreements before the parties request the Commission’s assistance in resolving matters under its jurisdiction; and
- the licensee ensure that the programs broadcast by the service provide an appropriate reflection of all regions of Quebec, including regions outside Montréal, and all regions of Canada. The Commission further expects the licensee to provide producers located in these regions with the opportunity to produce programs for its service.

## **Definitions**

For the purpose of these conditions:

The term “broadcast day” refers to the 24-hour period beginning each day at 6 a.m. or any other period approved by the Commission.

The terms “broadcast month,” “broadcast year,” “clock hour” and “evening broadcast period” shall have the same meanings as those set out in the *Television Broadcasting Regulations, 1987*.

An “independent production company” is defined as a Canadian company that is carrying on business in Canada with a Canadian business address, that is owned and controlled by Canadians, whose business is the production of film, videotape or live programs for distribution and in which the licensee and any company related to the licensee owns or controls, directly or indirectly, in aggregate, less than 30% of the equity.

## Appendix 3 to Broadcasting Decision CRTC 2012-241

### Canal Vie

Application 2011-0507-3, received 6 July 2011

### Conditions of licence and expectations for the specialty Category A service Canal Vie

1. The licensee shall adhere to the standard conditions of licence for specialty Category A services set out in *Standard conditions of licence, expectations and encouragements for specialty and pay television Category A services*, Broadcasting Regulatory Policy CRTC 2011-443, 27 July 2011, as amended from time to time.
2. (a) The licensee shall provide a national French-language specialty Category A service dedicated to information and entertainment programs focussed on three very specific subjects: lifestyle (human relations, social and interpersonal), health (physical and mental) and outdoor activities for families or individuals.  
  
(b) The licensee may draw programming from all the categories set out in item 6 to Schedule I of the *Specialty Services Regulations, 1990*, as amended from time to time.  
  
(c) The licensee shall not devote more than 5% of the broadcast month and the evening broadcast period to programs drawn from category 7(a) Ongoing dramatic series.  
  
(d) The licensee shall not devote more than 10% of the broadcast month to programs drawn from each of categories 6(a) Professional sports, 7(d) Theatrical feature films aired on TV and 7(e) Animated television programs and films.  
  
(e) The licensee shall not devote more than 10% of the broadcast month to programs drawn from categories 7(b) Ongoing comedy series (sitcoms), 7(f) Programs of comedy sketches, improvisations, unscripted works, stand-up comedy and 7(g) Other drama combined.  
  
(f) The licensee shall not devote more than 10% of the broadcast month to programs drawn from categories 8(b) Music video clips and 8(c) Music video programs combined.
3. In each broadcast year, the licensee shall devote no less than 50% of the broadcast day and no less than 60% of the evening broadcast period to the broadcast of Canadian programs.
4. Except as provided for in conditions 5 and 9 and in accordance with *A group-based approach to the licensing of private television services*, Broadcasting Regulatory Policy CRTC 2010-167, 22 March 2010, the licensee shall in each broadcast year devote to the acquisition of or investment in Canadian programming 30% of

- a) in the first broadcast year of the licence term, the average of the previous three years' gross revenues of the undertaking;
  - b) in each subsequent broadcast year of the licence term, the previous year's gross revenues of the undertaking.
5. The licensee may count expenditures made for the acquisition of or investment in Canadian programming by one or more pay television services or specialty services from the "Astral group" in the same broadcast year towards fulfilling the requirement in condition 4 as long as these expenditures are not used by those pay television services or specialty services towards fulfilling their own Canadian programming expenditure requirement.
6. Except as provided for in conditions 7, 8 and 9 and in accordance with *A group-based approach to the licensing of private television services*, Broadcasting Regulatory Policy CRTC 2010-167, 22 March 2010, the licensee shall in each broadcast year devote to the acquisition of or investment in programs of national interest, namely programs drawn from categories 2(b) Long-form documentary, 7 Drama and comedy, 8(a) Music and dance other than music video programs or clips, 8(b) Music video clips, 8(c) Music video programs and 9 Variety, 16% of
  - a) in the first broadcast year of the licence term, the average of the previous three years' gross revenues of all specialty services and pay television services from the "Astral group";
  - b) in each subsequent broadcast year of the licence term, the previous year's gross revenues of all specialty services and pay television services from the "Astral group."
7. The licensee may count expenditures made for the acquisition of or investment in programs of national interest by one or more pay television services or specialty services from the "Astral group" in the same broadcast year towards fulfilling the requirement in condition 6 as long as these expenditures are not used by those pay television services or specialty services towards fulfilling their own programs of national interest requirements.
8. At least 75% of the expenditures in condition of licence 6 must be made to an independent production company.
9. (a) In each broadcast year of the licence term, excluding the final year, the licensee may expend an amount on Canadian programming and/or on programs of national interest that is up to 5% less than the minimum required expenditure for that year calculated in accordance with conditions 4 and 6 respectively; in such case, the licensee shall expend in the next broadcast year of the licence term, in addition to the minimum required expenditure for that year, the full amount of the previous year's under-expenditure.

(b) In each broadcast year of the licence term, excluding the final year, where the licensee expends an amount for that year on Canadian programming or programs of national interest that is greater than the minimum required expenditure as set out in conditions 4 and 6, the licensee may deduct that amount as long as it does not exceed 5% of the minimum required expenditure in that year from the minimum required expenditure for the following year of the licence term.

(c) Notwithstanding paragraphs (a) and (b) above, during the licence term, the licensee shall expend on Canadian programming and programs of national interest, at a minimum, the total of the minimum required expenditures calculated in accordance with conditions 4 and 6.

10. “Pay television services or specialty services” in conditions 5 to 7 excludes mainstream sports and news services and specialty Category B services with fewer than 1 million subscribers.
11. The broadcasting undertaking licensed hereby is designated as a Category A service.

## **Expectations**

The Commission expects that:

- the report on programs of national interest expenditures allocated to independent production be filed with the Commission at the same time as the licensee’s other annual reports;
- any dispute regarding terms of trade agreements with independent producer organizations run its course and be handled in accordance with the terms of the agreements before the parties request the Commission’s assistance in resolving matters under its jurisdiction; and
- the licensee ensure that the programs broadcast by the service provide an appropriate reflection of all regions of Quebec, including regions outside Montréal, and all regions of Canada. The Commission further expects the licensee to provide producers located in these regions with the opportunity to produce programs for its service.

## **Definitions**

For the purpose of these conditions:

The term “broadcast day” refers to the 24-hour period beginning each day at 6 a.m. or any other period approved by the Commission.

The terms “broadcast month,” “broadcast year,” “clock hour” and “evening broadcast period” shall have the same meanings as those set out in the *Television Broadcasting Regulations, 1987*.

An “independent production company” is defined as a Canadian company that is carrying on business in Canada with a Canadian business address, that is owned and controlled by Canadians, whose business is the production of film, videotape or live programs for distribution and in which the licensee and any company related to the licensee owns or controls, directly or indirectly, in aggregate, less than 30% of the equity.

## Appendix 4 to Broadcasting Decision CRTC 2012-241

### Historia

Application 2011-0524-7, received 6 July 2011

### Conditions of licence and expectations for the specialty Category A service Historia

1. The licensee shall adhere to the standard conditions of licence for specialty Category A services set out in *Standard conditions of licence, expectations and encouragements for specialty and pay television Category A services*, Broadcasting Regulatory Policy CRTC 2011-443, 27 July 2011, as amended from time to time.
2. (a) The licensee shall provide a national French-language specialty Category A service dedicated exclusively to history and recent events.  
  
(b) The licensee may draw programming from all the categories set out in item 6 to Schedule I of the *Specialty Services Regulations, 1990*, as amended from time to time.  
  
(c) The licensee shall not devote more than 10% of the broadcast month to programs drawn from category 6(a) Professional sports.  
  
(d) The licensee shall not devote more than 10% of the broadcast month to programs drawn from categories 8(b) Music video clips and 8(c) Music video programs combined.  
  
(e) The licensee shall not devote more than 10% of the broadcast month to programs drawn from category 7(d) Theatrical feature films aired on TV.
3. In each broadcast year the licensee shall devote no less than 45% of the broadcast day and no less than 45% of the evening broadcast period to the broadcast of Canadian programs.
4. Except as provided for in conditions 5 and 9 and in accordance with *A group-based approach to the licensing of private television services*, Broadcasting Regulatory Policy CRTC 2010-167, 22 March 2010, the licensee shall in each broadcast year devote to the acquisition of or investment in Canadian programming 30% of
  - a) in the first broadcast year of the licence term, the average of the previous three years' gross revenues of the undertaking;
  - b) in each subsequent broadcast year of the licence term, the previous year's gross revenues of the undertaking.
5. The licensee may count expenditures made for the acquisition of or investment in Canadian programming by one or more pay television services or specialty services from the "Astral group" in the same broadcast year towards fulfilling the requirement

in condition 4 as long as these expenditures are not used by those pay television services or specialty services towards fulfilling their own Canadian programming expenditure requirement.

6. Except as provided for in conditions 7, 8 and 9 and in accordance with *A group-based approach to the licensing of private television services*, Broadcasting Regulatory Policy CRTC 2010-167, 22 March 2010, the licensee shall in each broadcast year devote to the acquisition of or investment in programs of national interest, namely programs drawn from categories 2(b) Long-form documentary, 7 Drama and comedy, 8(a) Music and dance other than music video programs or clips, 8(b) Music video clips, 8(c) Music video programs and 9 Variety, 16% of
  - a) in the first broadcast year of the licence term, the average of the previous three years' gross revenues of all specialty services and pay television services from the "Astral group";
  - b) in each subsequent broadcast year of the licence term, the previous year's gross revenues of all specialty services and pay television services from the "Astral group."
7. The licensee may count expenditures made for the acquisition of or investment in programs of national interest by one or more pay television services or specialty services from the "Astral group" in the same broadcast year towards fulfilling the requirement in condition 6 as long as these expenditures are not used by those pay television services or specialty services towards fulfilling their own programs of national interest requirements.
8. At least 75% of the expenditures in condition of licence 6 must be made to an independent production company.
9. At least 75% of expenditures under condition of licence 4 shall be devoted to the acquisition of original Canadian programming to be broadcast for the first time by a French-language linear programming service that holds a broadcasting licence. For the purposes of this condition, an original first-run Canadian French-language program means:
  - a Canadian program produced in French that will be broadcast for the first time by the licensee and has never before been broadcast by the licensee of any broadcasting undertaking; or
  - a Canadian program produced in French and acquired at the pre-production stage that has previously been broadcast by a discretionary service (pay or pay-per-view).
10. The licensee shall limit to 5% annually its expenditures on the acquisition of rights to Canadian original programming produced by the licensee's shareholders or related undertakings.

11. (a) In each broadcast year of the licence term, excluding the final year, the licensee may expend an amount on Canadian programming and/or on programs of national interest that is up to 5% less than the minimum required expenditure for that year calculated in accordance with conditions 4 and 6 respectively; in such case, the licensee shall expend in the next broadcast year of the licence term, in addition to the minimum required expenditure for that year, the full amount of the previous year's under-expenditure.
- (b) In each broadcast year of the licence term, excluding the final year, where the licensee expends an amount for that year on Canadian programming or programs of national interest that is greater than the minimum required expenditure as set out in conditions 4 and 6, the licensee may deduct that amount as long as it does not exceed 5% of the minimum required expenditure in that year from the minimum required expenditure for the following year of the licence term.
- (c) Notwithstanding paragraphs (a) and (b) above, during the licence term, the licensee shall expend on Canadian programming and programs of national interest, at a minimum, the total of the minimum required expenditures calculated in accordance with conditions 4 and 6.
12. "Pay television services or specialty services" in conditions 5 to 7 excludes mainstream sports and news services and specialty Category B services with fewer than 1 million subscribers.
13. The broadcasting undertaking licensed hereby is designated as a Category A service.

## **Expectations**

The Commission expects that:

- the report on programs of national interest expenditures allocated to independent production be filed with the Commission at the same time as the licensee's other annual reports;
- any dispute regarding terms of trade agreements with independent producer organizations run its course and be handled in accordance with the terms of the agreements before the parties request the Commission's assistance in resolving matters under its jurisdiction; and
- the licensee ensure that the programs broadcast by the service provide an appropriate reflection of all regions of Quebec, including regions outside Montréal, and all regions of Canada. The Commission further expects the licensee to provide producers located in these regions with the opportunity to produce programs for its service.

## **Definitions**

For the purpose of these conditions:

The term “broadcast day” refers to the 24-hour period beginning each day at 6 a.m. or any other period approved by the Commission.

The terms “broadcast month,” “broadcast year,” “clock hour” and “evening broadcast period” shall have the same meanings as those set out in the *Television Broadcasting Regulations, 1987*.

An “independent production company” is defined as a Canadian company that is carrying on business in Canada with a Canadian business address, that is owned and controlled by Canadians, whose business is the production of film, videotape or live programs for distribution and in which the licensee and any company related to the licensee owns or controls, directly or indirectly, in aggregate, less than 30% of the equity

## Appendix 5 to Broadcasting Decision CRTC 2012-241

### MusiMax

Application 2011-0523-9, received 6 July 2011

### Conditions of licence and expectations for the specialty Category A service MusiMax

1. The licensee shall adhere to the standard conditions of licence for specialty Category A services set out in *Standard conditions of licence, expectations and encouragements for specialty and pay television Category A services*, Broadcasting Regulatory Policy CRTC 2011-443, 27 July 2011, as amended from time to time, with the exception of condition 4, which is replaced by the following:

The licensee must closed caption 100% of French- and English-language programs broadcast over the broadcast day, consistent with *A new policy with respect to closed captioning*, Broadcasting Public Notice CRTC 2007-54, 17 May 2007, with the exception of music video clips in languages other than French.

2. (a) The licensee shall provide a national French-language specialty Category A service with programming targeting an adult audience and devoted to music in all its forms, its works, its history and personalities.
  - (b) The licensee may draw programming from all the categories set out in item 6 to Schedule I of the *Specialty Services Regulations, 1990*, as amended from time to time.
  - (c) The licensee shall not devote more than 10% of the broadcast month to programs drawn from each of categories 6(a) Professional sports, 7(d) Theatrical feature films aired on TV and 7(e) Animated television programs and films.
  - (d) The licensee shall not devote more than 10% of the broadcast month to programs drawn from categories 7(a) Ongoing dramatic series, 7(b) Ongoing comedy series (sitcoms), 7(f) programs of comedy sketches, improvisations, unscripted works, stand-up comedy and 7(g) Other drama combined.
  - (e) The licensee shall devote at least 30% of the broadcast month to programs drawn from categories 8(b) Music video clips and 8(c) Music video programs combined.
  - (f) Not less than 50% of the total number of music video clips broadcast by the licensee during each broadcast month shall be in the French language.
  - (g) Not less than 30% of the total number of music video clips broadcast by the licensee during each broadcast month shall be Canadian music video clips.
  - (h) The licensee shall schedule the Canadian and French-language music video clips it broadcasts in a reasonable manner throughout each broadcast month.

3. In each broadcast year, the licensee shall devote no less than 55% of the broadcast day and no less than 55% of the evening broadcast period to the broadcast of Canadian programs.
4. Except as provided for in conditions 5 and 9 and in accordance with *A group-based approach to the licensing of private television services*, Broadcasting Regulatory Policy CRTC 2010-167, 22 March 2010, the licensee shall in each broadcast year devote to the acquisition of or investment in Canadian programming 30% of
  - a) in the first broadcast year of the licence term, the average of the previous three years' gross revenues of the undertaking;
  - b) in each subsequent broadcast year of the licence term, the previous year's gross revenues of the undertaking.
5. The licensee may count expenditures made for the acquisition of or investment in Canadian programming by one or more pay television services or specialty services from the "Astral group" in the same broadcast year towards fulfilling the requirement in condition 4 as long as these expenditures are not used by those pay television services or specialty services towards fulfilling their own Canadian programming expenditure requirement.
6. Except as provided for in conditions 7, 8 and 9 and in accordance with *A group-based approach to the licensing of private television services*, Broadcasting Regulatory Policy CRTC 2010-167, 22 March 2010, the licensee shall in each broadcast year devote to the acquisition of or investment in programs of national interest, namely programs drawn from categories 2(b) Long-form documentary, 7 Drama and comedy, 8(a) Music and dance other than music video programs or clips, 8(b) Music video clips, 8(c) Music video programs and 9 Variety, 16% of
  - a) in the first broadcast year of the licence term, the average of the previous three years' gross revenues of all specialty services and pay television services from the "Astral group";
  - b) in each subsequent broadcast year of the licence term, the previous year's gross revenues of all specialty services and pay television services from the "Astral group."
7. The licensee may count expenditures made for the acquisition of or investment in programs of national interest by one or more pay television services or specialty services from the "Astral group" in the same broadcast year towards fulfilling the requirement in condition 6 as long as these expenditures are not used by those pay television services or specialty services towards fulfilling their own programs of national interest requirements.
8. At least 75% of the expenditures in condition of licence 6 must be made to an independent production company.

9. (a) In each broadcast year of the licence term, excluding the final year, the licensee may expend an amount on Canadian programming and/or on programs of national interest that is up to 5% less than the minimum required expenditure for that year calculated in accordance with conditions 4 and 6 respectively; in such case, the licensee shall expend in the next broadcast year of the licence term, in addition to the minimum required expenditure for that year, the full amount of the previous year's under-expenditure.
- (b) In each broadcast year of the licence term, excluding the final year, where the licensee expends an amount for that year on Canadian programming or programs of national interest that is greater than the minimum required expenditure as set out in conditions 4 and 6, the licensee may deduct that amount as long as it does not exceed 5% of the minimum required expenditure in that year from the minimum required expenditure for the following year of the licence term.
- (c) Notwithstanding paragraphs (a) and (b) above, during the licence term, the licensee shall expend on Canadian programming and programs of national interest, at a minimum, the total of the minimum required expenditures calculated in accordance with conditions 4 and 6.
10. In each year of the licence term, of the Canadian programming expenditures made under conditions 4(a) and 4(b) above, the licensee shall contribute to MaxFACT for the creation and production of Canadian music videos no less than 5% of the previous broadcast year's gross revenues derived from the operation of its service.
11. "Pay television services or specialty services" in conditions 5 to 7 excludes mainstream sports and news services and specialty Category B services with fewer than 1 million subscribers.
12. The broadcasting undertaking licensed hereby is designated as a Category A service.

## **Expectations**

The Commission expects that:

- the report on programs of national interest expenditures allocated to independent production be filed with the Commission at the same time as the licensee's other annual reports;
- any dispute regarding terms of trade agreements with independent producer organizations run its course and be handled in accordance with the terms of the agreements before the parties request the Commission's assistance in resolving matters under its jurisdiction;
- the licensee ensure that the programs broadcast by the service provide an appropriate reflection of all regions of Quebec, including regions outside Montréal, and all regions of Canada. The Commission further expects the licensee

to provide producers located in these regions with the opportunity to produce programs for its service;

- within 60 days following the date of this decision, Astral confirm the percentage of music video clips and music video programs that must be broadcast during peak viewing hours, as agreed upon by ADISQ and Astral; and
- MusiMax begin closed captioning music videos in languages other than French in order to expand its inventory of closed captioned music video clips and thus comply with the Commission's Accessibility Policy.

### **Definitions**

For the purpose of these conditions:

The term "broadcast day" refers to the 24-hour period beginning each day at 6 a.m. or any other period approved by the Commission.

The terms "broadcast month," "broadcast year," "clock hour" and "evening broadcast period" shall have the same meanings as those set out in the *Television Broadcasting Regulations, 1987*.

An "independent production company" is defined as a Canadian company that is carrying on business in Canada with a Canadian business address, that is owned and controlled by Canadians, whose business is the production of film, videotape or live programs for distribution and in which the licensee and any company related to the licensee owns or controls, directly or indirectly, in aggregate, less than 30% of the equity.

## Appendix 6 to Broadcasting Decision CRTC 2012-241

### MusiquePlus

Application 2011-0522-1, received 6 July 2011

### Conditions of licence and expectations for the specialty Category A service MusiquePlus

1. The licensee shall adhere to the standard conditions of licence for specialty Category A services set out in *Standard conditions of licence, expectations and encouragements for specialty and pay television Category A services*, Broadcasting Regulatory Policy CRTC 2011-443, 27 July 2011, as amended from time to time, with the exception of condition 4, which is replaced by the following:

The licensee must closed caption 100% of French- and English-language programs broadcast over the broadcast day, consistent with *A new policy with respect to closed captioning*, Broadcasting Public Notice CRTC 2007-54, 17 May 2007, with the exception of music video clips in languages other than French.

2. (a) The licensee shall provide a national French-language specialty Category A service of which at least 90% of the programming has a connection to music-related programs.
  - (b) The licensee may draw programming from all the categories set out in item 6 to Schedule I of the *Specialty Services Regulations, 1990*, as amended from time to time.
  - (c) The licensee shall not devote more than 10% of the broadcast month to programs drawn from each of categories 6(a) Professional sports, 7(a) Ongoing dramatic series, 7(d) Theatrical feature films aired on TV and 7(e) Animated television programs and films.
  - (d) The licensee shall devote at least 30% of the broadcast month to programs drawn from category 8(b) Music video clips.
  - (e) Not less than 50% of the total number of music video clips broadcast by the licensee during each broadcast month shall be in the French language.
  - (f) Not less than 30% of the total number of music video clips broadcast by the licensee during each broadcast month shall be Canadian music video clips.
  - (g) The licensee shall schedule the Canadian and French-language music video clips it broadcasts in a reasonable manner throughout each broadcast month.
  - (h) The licensee shall not devote more than 15% of the broadcast month to music-related programming from categories 7(b) Ongoing comedy series (sitcoms), 7(c) Specials, mini-series or made-for-TV feature films and 7(e) Animated television programs and films combined.

- (i) The licensee shall not devote more than 5% of the broadcast month to programs drawn from category 2(a) Analysis and interpretation.
3. In each broadcast year, the licensee shall devote no less than 55% of the broadcast day and no less than 55% of the evening broadcast period to the broadcast of Canadian programs.
  4. Except as provided for in conditions 5 and 9 and in accordance with *A group-based approach to the licensing of private television services*, Broadcasting Regulatory Policy CRTC 2010-167, 22 March 2010, the licensee shall in each broadcast year devote to the acquisition of or investment in Canadian programming 30% of
    - a) in the first broadcast year of the licence term, the average of the previous three years' gross revenues of the undertaking;
    - b) in each subsequent broadcast year of the licence term, the previous year's gross revenues of the undertaking.
  5. The licensee may count expenditures made for the acquisition of or investment in Canadian programming by one or more pay television services or specialty services from the "Astral group" in the same broadcast year towards fulfilling the requirement in condition 4 as long as these expenditures are not used by those pay television services or specialty services towards fulfilling their own Canadian programming expenditure requirement.
  6. Except as provided for in conditions 7, 8 and 9 and in accordance with *A group-based approach to the licensing of private television services*, Broadcasting Regulatory Policy CRTC 2010-167, 22 March 2010, the licensee shall in each broadcast year devote to the acquisition of or investment in programs of national interest, namely programs drawn from categories 2(b) Long-form documentary, 7 Drama and comedy, 8(a) Music and dance other than music video programs or clips, 8(b) Music video clips, 8(c) Music video programs and 9 Variety, 16% of
    - a) in the first broadcast year of the licence term, the average of the previous three years' gross revenues of all specialty services and pay television services from the "Astral group";
    - b) in each subsequent broadcast year of the licence term, the previous year's gross revenues of all specialty services and pay television services from the "Astral group."
  7. The licensee may count expenditures made for the acquisition of or investment in programs of national interest by one or more pay television services or specialty services from the "Astral group" in the same broadcast year towards fulfilling the requirement in condition 6 as long as these expenditures are not used by those pay television services or specialty services towards fulfilling their own programs of national interest requirements.

8. At least 75% of the expenditures in condition of licence 6 must be made to an independent production company.
9. (a) In each broadcast year of the licence term, excluding the final year, the licensee may expend an amount on Canadian programming and/or on programs of national interest that is up to 5% less than the minimum required expenditure for that year calculated in accordance with conditions 4 and 6 respectively; in such case, the licensee shall expend in the next broadcast year of the licence term, in addition to the minimum required expenditure for that year, the full amount of the previous year's under-expenditure.
 

(b) In each broadcast year of the licence term, excluding the final year, where the licensee expends an amount for that year on Canadian programming or programs of national interest that is greater than the minimum required expenditure as set out in conditions 4 and 6, the licensee may deduct that amount as long as it does not exceed 5% of the minimum required expenditure in that year from the minimum required expenditure for the following year of the licence term.

(c) Notwithstanding paragraphs (a) and (b) above, during the licence term, the licensee shall expend on Canadian programming and programs of national interest, at a minimum, the total of the minimum required expenditures calculated in accordance with conditions 4 and 6.
10. In each year of the licence term, of the Canadian programming expenditures made under conditions 4(a) and 4(b) above, the licensee shall contribute to MaxFACT for the creation and production of Canadian music videos no less than 3.4% of the previous broadcast year's gross revenues derived from the operation of its service.
11. "Pay television services or specialty services" in conditions 5 to 7 excludes mainstream sports and news services and specialty Category B services with fewer than 1 million subscribers.
12. The broadcasting undertaking licensed hereby is designated as a Category A service.

## **Expectations**

The Commission expects that:

- the report on programs of national interest expenditures allocated to independent production be filed with the Commission at the same time as the licensee's other annual reports;
- any dispute regarding terms of trade agreements with independent producer organizations run its course and be handled in accordance with the terms of the agreements before the parties request the Commission's assistance in resolving matters under its jurisdiction;

- the licensee ensure that the programs broadcast by the service provide an appropriate reflection of all regions of Quebec, including regions outside Montréal, and all regions of Canada. The Commission further expects the licensee to provide producers located in these regions with the opportunity to produce programs for its service;
- within 60 days following the date of this decision, Astral confirm the percentage of video clips and music programs that must be broadcast during peak viewing hours, as agreed upon by ADISQ and Astral; and
- MusiquePlus begin closed captioning music videos in languages other than French in order to expand their inventory of closed captioned music video clips and thus comply with the Commission's Accessibility Policy.

### **Definitions**

For the purpose of these conditions:

The term "broadcast day" refers to the 24-hour period beginning each day at 6 a.m. or any other period approved by the Commission.

The terms "broadcast month," "broadcast year," "clock hour" and "evening broadcast period" shall have the same meanings as those set out in the *Television Broadcasting Regulations, 1987*.

An "independent production company" is defined as a Canadian company that is carrying on business in Canada with a Canadian business address, that is owned and controlled by Canadians, whose business is the production of film, videotape or live programs for distribution and in which the licensee and any company related to the licensee owns or controls, directly or indirectly, in aggregate, less than 30% of the equity.

## Appendix 7 to Broadcasting Decision CRTC 2012-241

### Séries+

Application 2011-0525-5, received 6 July 2011

### Conditions of licence and expectations for the specialty Category A service Séries+

1. The licensee shall adhere to the standard conditions of licence for specialty Category A services set out in *Standard conditions of licence, expectations and encouragements for specialty and pay television Category A services*, Broadcasting Regulatory Policy CRTC 2011-443, 27 July 2011, as amended from time to time.
2. (a) The licensee shall provide a national French-language specialty Category A service with programming devoted exclusively to drama.
  - (b) The licensee must devote at least 95% of the service's programming to programs drawn from category 7 Drama and comedy, as set out in item 6 of Schedule I to the *Specialty Services Regulations, 1990*, as amended from time to time.
  - (c) The Canadian programs drawn from category 7(d) Theatrical feature films aired on TV shall have been copyrighted at least 7 years before the date of broadcast, unless Séries+ has participated in their funding at the production stage and that funding does not exceed 50% of the total cumulative amounts allocated in fulfilment of its current condition of licence 11(a).
  - (d) Except for programs drawn from categories 7(a) Ongoing dramatic series (in an original language other than French), 7(c) Specials, mini-series, made-for-TV feature films and 7(d) Theatrical feature films aired on television, the Canadian programs broadcast shall have been copyrighted at least 10 years before the date of the broadcast.
  - (e) The licensee shall limit the level of programs from U.S. sources to 30% annually.
3. In each broadcast year, the licensee shall devote no less than 30% of the broadcast day and no less than 30% of the evening broadcast period to the broadcast of Canadian programs.
4. Except as provided for in conditions 5 and 9 and in accordance with *A group-based approach to the licensing of private television services*, Broadcasting Regulatory Policy CRTC 2010-167, 22 March 2010, the licensee shall in each broadcast year devote to the acquisition of or investment in Canadian programming 30% of
  - a) in the first broadcast year of the licence term, the average of the previous three years' gross revenues of the undertaking;
  - b) in each subsequent broadcast year of the licence term, the previous year's gross revenues of the undertaking.

5. The licensee may count expenditures made for the acquisition of or investment in Canadian programming by one or more pay television services or specialty services from the “Astral group” in the same broadcast year towards fulfilling the requirement in condition 4 as long as these expenditures are not used by those pay television services or specialty services towards fulfilling their own Canadian programming expenditure requirement.
6. Except as provided for in conditions 7, 8 and 9 and in accordance with *A group-based approach to the licensing of private television services*, Broadcasting Regulatory Policy CRTC 2010-167, 22 March 2010, the licensee shall in each broadcast year devote to the acquisition of or investment in programs of national interest, namely programs drawn from categories 2(b) Long-form documentary, 7 Drama and comedy, 8(a) Music and dance other than music video programs or clips, 8(b) Music video clips, 8(c) Music video programs and 9 Variety, 16% of
  - a) in the first broadcast year of the licence term, the average of the previous three years’ gross revenues of all specialty services and pay television services from the “Astral group”;
  - b) in each subsequent broadcast year of the licence term, the previous year’s gross revenues of all specialty services and pay television services from the “Astral group.”
7. The licensee may count expenditures made for the acquisition of or investment in programs of national interest by one or more pay television services or specialty services from the “Astral group” in the same broadcast year towards fulfilling the requirement in condition 6 as long as these expenditures are not used by those pay television services or specialty services towards fulfilling their own programs of national interest requirements.
8. At least 75% of the expenditures in condition of licence 6 must be made to an independent production company.
9. The licensee shall limit to 25% annually its expenditures on the acquisition of rights to Canadian original programs produced by the licensee’s shareholders or related undertakings. For the purposes of this condition, an original first-run Canadian French-language program means:
  - a Canadian program produced in French that will be broadcast for the first time by the licensee and has never before been broadcast by the licensee of any broadcasting undertaking; or
  - a Canadian program produced in French and acquired at the pre-production stage that has previously been broadcast by a discretionary service (pay or pay-per-view).

10. (a) In each broadcast year of the licence term, excluding the final year, the licensee may expend an amount on Canadian programming and/or on programs of national interest that is up to 5% less than the minimum required expenditure for that year calculated in accordance with conditions 4 and 6 respectively; in such case, the licensee shall expend in the next broadcast year of the licence term, in addition to the minimum required expenditure for that year, the full amount of the previous year's under-expenditure.
- (b) In each broadcast year of the licence term, excluding the final year, where the licensee expends an amount for that year on Canadian programming or programs of national interest that is greater than the minimum required expenditure as set out in conditions 4 and 6, the licensee may deduct that amount as long as it does not exceed 5% of the minimum required expenditure in that year from the minimum required expenditure for the following year of the licence term.
- (c) Notwithstanding paragraphs (a) and (b) above, during the licence term, the licensee shall expend on Canadian programming and programs of national interest, at a minimum, the total of the minimum required expenditures calculated in accordance with conditions 4 and 6.
11. Of the Canadian programming expenditures made under conditions 4(a) and 4(b) above, the licensee shall expend:
- not less than \$1.5 million per year on the funding of original French-language drama; and
  - \$3.5 million during the licence term to pay for dubbing in French in Canada of Canadian and foreign series that are broadcast.
12. "Pay television services or specialty services" in conditions 5 to 7 excludes mainstream sports and news services and specialty Category B services with fewer than 1 million subscribers.
13. The broadcasting undertaking licensed hereby is designated as a Category A service.

## **Expectations**

The Commission expects that:

- the report on programs of national interest expenditures allocated to independent production be filed with the Commission at the same time as the licensee's other annual reports;
- any dispute regarding terms of trade agreements with independent producer organizations run its course and be handled in accordance with the terms of the agreements before the parties request the Commission's assistance in resolving matters under its jurisdiction; and

- the licensee ensure that the programs broadcast by the service provide an appropriate reflection of all regions of Quebec, including regions outside Montréal, and all regions of Canada. The Commission further expects the licensee to provide producers located in these regions with the opportunity to produce programs for its service.

### **Definitions**

For the purpose of these conditions:

The term “broadcast day” refers to the 24-hour period beginning each day at 6 a.m. or any other period approved by the Commission.

The terms “broadcast month,” “broadcast year,” “clock hour” and “evening broadcast period” shall have the same meanings as those set out in the *Television Broadcasting Regulations, 1987*.

An “independent production company” is defined as a Canadian company that is carrying on business in Canada with a Canadian business address, that is owned and controlled by Canadians, whose business is the production of film, videotape or live programs for distribution and in which the licensee and any company related to the licensee owns or controls, directly or indirectly, in aggregate, less than 30% of the equity.

## Appendix 8 to Broadcasting Decision CRTC 2012-241

### Vrak.TV

Application 2011-0508-1, received 6 July 2011

### Conditions of licence and expectations for the specialty Category A service Vrak.TV

1. The licensee shall adhere to the standard conditions of licence for specialty Category A services set out in *Standard conditions of licence, expectations and encouragements for specialty and pay television Category A services*, Broadcasting Regulatory Policy CRTC 2011-443, 27 July 2011, as amended from time to time.
2. (a) The licensee shall provide a national French-language specialty Category A service targeting Francophone children and youth up to 17 years of age.  
  
(b) The licensee may draw programming from all the categories set out in item 6 to Schedule I of the *Specialty Services Regulations, 1990*, as amended from time to time.  
  
(c) The licensee shall not devote more than 10% of the broadcast month to programs drawn from category 6(a) Professional sports.
3. In each broadcast year, the licensee shall devote no less than 60% of the broadcast day and no less than 50% of the evening broadcast period to the broadcast of Canadian programs.
4. Except as provided for in conditions 5 and 9 and in accordance with *A group-based approach to the licensing of private television services*, Broadcasting Regulatory Policy CRTC 2010-167, 22 March 2010, the licensee shall in each broadcast year devote to the acquisition of or investment in Canadian programming 30% of
  - in the first broadcast year of the licence term, the average of the previous three years' gross revenues of the undertaking;
  - in each subsequent broadcast year of the licence term, the previous year's gross revenues of the undertaking.
5. The licensee may count expenditures made for the acquisition of or investment in Canadian programming by one or more pay television services or specialty services from the "Astral group" in the same broadcast year towards fulfilling the requirement in condition 4 as long as these expenditures are not used by those pay television services or specialty services towards fulfilling their own Canadian programming expenditure requirement.
6. Except as provided for in conditions 7, 8 and 9 and in accordance with *A group-based approach to the licensing of private television services*, Broadcasting Regulatory Policy CRTC 2010-167, 22 March 2010, the licensee shall in each broadcast year

devote to the acquisition of or investment in programs of national interest, namely programs drawn from categories 2(b) Long-form documentary, 7 Drama and comedy, 8(a) Music and dance other than music video programs or clips, 8(b) Music video clips, 8(c) Music video programs and 9 Variety, 16% of

- a) in the first broadcast year of the licence term, the average of the previous three years' gross revenues of all specialty services and pay television services from the "Astral group";
  - b) in each subsequent broadcast year of the licence term, the previous year's gross revenues of all specialty services and pay television services from the "Astral group."
7. The licensee may count expenditures made for the acquisition of or investment in programs of national interest by one or more pay television services or specialty services from the "Astral group" in the same broadcast year towards fulfilling the requirement in condition 6 as long as these expenditures are not used by those pay television services or specialty services towards fulfilling their own programs of national interest requirements.
  8. At least 75% of the expenditures in condition of licence 6 must be made to an independent production company.
  9. (a) In each broadcast year of the licence term, excluding the final year, the licensee may expend an amount on Canadian programming and/or on programs of national interest that is up to 5% less than the minimum required expenditure for that year calculated in accordance with conditions 4 and 6 respectively; in such case, the licensee shall expend in the next broadcast year of the licence term, in addition to the minimum required expenditure for that year, the full amount of the previous year's under-expenditure.  
  
(b) In each broadcast year of the licence term, excluding the final year, where the licensee expends an amount for that year on Canadian programming or programs of national interest that is greater than the minimum required expenditure as set out in conditions 4 and 6, the licensee may deduct that amount as long as it does not exceed 5% of the minimum required expenditure in that year from the minimum required expenditure for the following year of the licence term.  
  
(c) Notwithstanding paragraphs (a) and (b) above, during the licence term, the licensee shall expend on Canadian programming and programs of national interest, at a minimum, the total of the minimum required expenditures calculated in accordance with conditions 4 and 6.
  10. In each broadcast year, the licensee shall broadcast not less than 104 hours of original first-run Canadian French-language programs. For the purposes of this condition, an original first-run Canadian French-language program means:

- a Canadian program produced in French that will be broadcast for the first time by the licensee and has never before been broadcast by the licensee of any broadcasting undertaking; or
  - a Canadian program produced in French and acquired at the pre-production stage that has previously been broadcast by a discretionary service (pay or pay-per-view).
11. Notwithstanding condition 8 of the standard conditions of licence for specialty Category A services, the licensee shall not distribute commercial messages during any program that has as its main target audience children up to 5 years of age.
12. “Pay television services or specialty services” in conditions 5 to 7 excludes mainstream sports and news services and specialty Category B services with fewer than 1 million subscribers.
13. The broadcasting undertaking licensed hereby is designated as a Category A service.

### **Expectations**

The Commission expects that:

- the report on programs of national interest expenditures allocated to independent production be filed with the Commission at the same time as the licensee’s other annual reports;
- any dispute regarding terms of trade agreements with independent producer organizations run its course and be handled in accordance with the terms of the agreements before the parties request the Commission’s assistance in resolving matters under its jurisdiction; and
- the licensee ensure that the programs broadcast by the service provide an appropriate reflection of all regions of Quebec, including regions outside Montréal, and all regions of Canada. The Commission further expects the licensee to provide producers located in these regions with the opportunity to produce programs for its service.

### **Definitions**

For the purpose of these conditions:

The term “broadcast day” refers to the 24-hour period beginning each day at 6 a.m. or any other period approved by the Commission.

The terms “broadcast month,” “broadcast year,” “clock hour” and “evening broadcast period” shall have the same meanings as those set out in the *Television Broadcasting Regulations, 1987*.

An “independent production company” is defined as a Canadian company that is carrying on business in Canada with a Canadian business address, that is owned and controlled by Canadians, whose business is the production of film, videotape or live programs for distribution and in which the licensee and any company related to the licensee owns or controls, directly or indirectly, in aggregate, less than 30% of the equity.

## Appendix 9 to Broadcasting Decision CRTC 2012-241

Ztélé

Application 2011-0509-9, received 6 July 2011

### Conditions of licence and expectations for the specialty Category A service Ztélé

1. The licensee shall adhere to the standard conditions of licence for specialty Category A services set out in *Standard conditions of licence, expectations and encouragements for specialty and pay television Category A services*, Broadcasting Regulatory Policy CRTC 2011-443, 27 July 2011, as amended from time to time.
2. (a) The licensee shall provide a national French-language specialty Category A service devoted entirely to science and technology, the earth and its secrets, space exploration, the paranormal and science fiction, lifestyles and computer science.  
  
(b) The licensee may draw programming from all the categories set out in item 6 to Schedule I of the *Specialty Services Regulations, 1990*, as amended from time to time.  
  
(c) The licensee shall not devote more than 10% of the broadcast month to programs drawn from each of categories 6(a) Professional sports and 7(e) Animated television programs and films.  
  
(d) The licensee shall not devote more than 10% of the broadcast month to programs drawn from categories 7(b) Ongoing comedy series (sitcoms), 7(f) Programs of comedy sketches, improvisations, unscripted works, stand-up comedy and 7(g) Other drama combined.  
  
(e) The licensee shall not devote more than 10% of the broadcast month to programs drawn from categories 8(b) Music video clips and 8(c) Music video programs combined.  
  
(f) The licensee shall not devote more than 10% of the broadcast month to programs drawn from category 7(d) Theatrical feature films aired on TV.
3. In each broadcast year, the licensee shall devote no less than 50% of the broadcast day and no less than 40% of the evening broadcast period to the broadcast of Canadian programs.
4. Except as provided for in conditions 5 and 9 and in accordance with *A group-based approach to the licensing of private television services*, Broadcasting Regulatory Policy CRTC 2010-167, 22 March 2010, the licensee shall in each broadcast year devote to the acquisition of or investment in Canadian programming 30% of
  - a) in the first broadcast year of the licence term, the average of the previous three years' gross revenues of the undertaking;

- b) in each subsequent broadcast year of the licence term, the previous year's gross revenues of the undertaking.
5. The licensee may count expenditures made for the acquisition of or investment in Canadian programming by one or more pay television services or specialty services from the "Astral group" in the same broadcast year towards fulfilling the requirement in condition 4 as long as these expenditures are not used by those pay television services or specialty services towards fulfilling their own Canadian programming expenditure requirement.
6. Except as provided for in conditions 7, 8 and 9 and in accordance with *A group-based approach to the licensing of private television services*, Broadcasting Regulatory Policy CRTC 2010-167, 22 March 2010, the licensee shall in each broadcast year devote to the acquisition of or investment in programs of national interest, namely programs drawn from categories 2(b) Long-form documentary, 7 Drama and comedy, 8(a) Music and dance other than music video programs or clips, 8(b) Music video clips, 8(c) Music video programs and 9 Variety, 16% of
  - a) in the first broadcast year of the licence term, the average of the previous three years' gross revenues of all specialty services and pay television services from the "Astral group";
  - b) in each subsequent broadcast year of the licence term, the previous year's gross revenues of all specialty services and pay television services from the "Astral group."
7. The licensee may count expenditures made for the acquisition of or investment in programs of national interest by one or more pay television services or specialty services from the "Astral group" in the same broadcast year towards fulfilling the requirement in condition 6 as long as these expenditures are not used by those pay television services or specialty services towards fulfilling their own programs of national interest requirements.
8. At least 75% of the expenditures in condition of licence 6 must be made to an independent production company.
9. (a) In each broadcast year of the licence term, excluding the final year, the licensee may expend an amount on Canadian programming and/or on programs of national interest that is up to 5% less than the minimum required expenditure for that year calculated in accordance with conditions 4 and 6 respectively; in such case, the licensee shall expend in the next broadcast year of the licence term, in addition to the minimum required expenditure for that year, the full amount of the previous year's under-expenditure.
  - (b) In each broadcast year of the licence term, excluding the final year, where the licensee expends an amount for that year on Canadian programming or programs of national interest that is greater than the minimum required expenditure as set out in

conditions 4 and 6, the licensee may deduct that amount as long as it does not exceed 5% of the minimum required expenditure in that year from the minimum required expenditure for the following year of the licence term.

(c) Notwithstanding paragraphs (a) and (b) above, during the licence term, the licensee shall expend on Canadian programming and programs of national interest, at a minimum, the total of the minimum required expenditures calculated in accordance with conditions 4 and 6.

10. “Pay television services or specialty services” in conditions 5 to 7 excludes mainstream sports and news services and specialty Category B services with fewer than 1 million subscribers.
11. The broadcasting undertaking licensed hereby is designated as a Category A service.

### **Expectations**

The Commission expects that:

- the report on Programs of National Interest expenditures allocated to independent production be filed with the Commission at the same time as the licensee’s other annual reports;
- any dispute regarding terms of trade agreements with independent producer organizations run its course and be handled in accordance with the terms of the agreements before the parties request the Commission’s assistance in resolving matters under its jurisdiction; and
- the licensee ensure that the programs broadcast by the service provide an appropriate reflection of all regions of Quebec, including regions outside Montréal, and all regions of Canada. The Commission further expects the licensee to provide producers located in these regions with the opportunity to produce programs for its service.

### **Definitions**

For the purpose of these conditions:

The term “broadcast day” refers to the 24-hour period beginning each day at 6 a.m. or any other period approved by the Commission.

The terms “broadcast month,” “broadcast year,” “clock hour” and “evening broadcast period” shall have the same meanings as those set out in the *Television Broadcasting Regulations, 1987*.

An “independent production company” is defined as a Canadian company that is carrying on business in Canada with a Canadian business address, that is owned and controlled by Canadians, whose business is the production of film, videotape or live programs for distribution and in which the licensee and any company related to the licensee owns or controls, directly or indirectly, in aggregate, less than 30% of the equity.

## Appendix 10 to Broadcasting Decision CRTC 2012-241

### Family Channel

Application 2011-0526-3, received 6 July 2011

### Conditions of licence and expectations for the pay television Category A service Family Channel

1. The licensee shall adhere to the standard conditions of licence for pay television Category A services set out in *Standard conditions of licence, expectations and encouragements for specialty and pay television Category A services*, Broadcasting Regulatory Policy CRTC 2011-443, 27 July 2011, as amended from time to time.
2. (a) The licensee shall provide a national, English-language pay television Category A service with programming devoted exclusively to target audiences composed of children and youth up to age 17 and families in conjunction with such children and youth.  
  
(b) The licensee may draw programming from all categories set out in item 6 of Schedule I to the *Pay Television Regulations, 1990*, as amended from time to time, with the exception of programs from the following categories:
  - 1 News
  - 4 Religion
  - 5(b) Informal education/Recreation and leisure
  - 6(a) Professional sports
  - (b) Amateur sports
- (c) The licensee shall not broadcast any programming with an “Adult,” “Restricted” or equivalent rating from the Ontario Film Review Board.
- (d) The licensee shall not devote more than 60% of each semester to programs originating from The Disney Channel.
3. During each semester of the licence term, the licensee shall devote no less than 25% of the programming broadcast and 30% of the total time between 6 p.m. and 10 p.m. (prime viewing hours) to the broadcast of Canadian programs.

In the calculation of the time devoted to the broadcast of Canadian programs under this condition, a 150% credit shall be awarded for any new Canadian production broadcast that:

- (a) is scheduled to commence and be completed within prime viewing hours, as defined above; and
- (b) in the case of a new Canadian production intended for children, is scheduled to be completed prior to 10 p.m., the licensee will receive a new Canadian production programming credit for each subsequent showing during the time

periods specified above of such a production within a two-year period from the date of first showing by the licensee.

4. Except as provided for in conditions 5 and 9 and in accordance with *A group-based approach to the licensing of private television services*, Broadcasting Regulatory Policy CRTC 2010-167, 22 March 2010, the licensee shall in each broadcast year devote to the acquisition of or investment in Canadian programming 30% of
  - (a) in the first broadcast year of the licence term, the average of the previous three years' gross revenues of the undertaking;
  - (b) in each subsequent broadcast year of the licence term, the previous year's gross revenues of the undertaking.
5. The licensee may count expenditures made for the acquisition of or investment in Canadian programming by one or more pay television services or specialty services from the "Astral group" in the same broadcast year towards fulfilling the requirement in condition 4 as long as these expenditures are not used by those pay television services or specialty services towards fulfilling their own Canadian programming expenditure requirement.
6. Except as provided for in conditions 7, 8 and 9 and in accordance with *A group-based approach to the licensing of private television services*, Broadcasting Regulatory Policy CRTC 2010-167, 22 March 2010, the licensee shall in each broadcast year devote to the acquisition of or investment in programs of national interest, namely programs drawn from categories 2(b) Long-form documentary, 7 Drama and comedy, and eligible Canadian award shows, 16% of
  - a) in the first broadcast year of the licence term, the average of the previous three years' gross revenues of all specialty services and pay television services from the "Astral group";
  - b) in each subsequent broadcast year of the licence term, the previous year's gross revenues of all specialty services and pay television services from the "Astral group."
7. The licensee may count expenditures made for the acquisition of or investment in programs of national interest by one or more pay television services or specialty services from the "Astral group" in the same broadcast year towards fulfilling the requirement in condition 6 as long as these expenditures are not used by those pay television services or specialty services towards fulfilling their own programs of national interest requirements.
8. At least 75% of the expenditures in condition of licence 6 must be made to an independent production company.

9. (a) In each broadcast year of the licence term, excluding the final year, the licensee may expend an amount on Canadian programming and/or on programs of national interest that is up to 5% less than the minimum required expenditure for that year calculated in accordance with conditions 4 and 6 respectively; in such case, the licensee shall expend in the next broadcast year of the licence term, in addition to the minimum required expenditure for that year, the full amount of the previous year's under-expenditure.
- (b) In each broadcast year of the licence term, excluding the final year, where the licensee expends an amount for that year on Canadian programming or programs of national interest that is greater than the minimum required expenditure as set out in conditions 4 and 6, the licensee may deduct that amount as long as it does not exceed 5% of the minimum required expenditure in that year from the minimum required expenditure for the following year of the licence term.
- (c) Notwithstanding paragraphs (a) and (b) above, during the licence term, the licensee shall expend on Canadian programming and programs of national interest, at a minimum, the total of the minimum required expenditures calculated in accordance with conditions 4 and 6.
10. In making the calculations required for the purposes of conditions of licence 4 to 9, the licensee shall use only the accrual method of accounting, with the exception of equity investments in Canadian feature films, for which cash outlays may be taken into account and for which the licensee shall provide proof of payment on a yearly basis. In order to fulfill conditions 4 to 9, the licensee may have the first three years of the licence term to align its spending with its expenditure requirements as calculated using an accrual method. The accrual method must be fully implemented and in effect for the broadcast year ending 31 August 2016. A reconciliation must be included with the annual return for each of the first three years of the licence term detailing the amount of expenditures on Canadian programming and programs of national interest incurred under the accrual method and reconciling this amount with that incurred under the cash outlay method.
11. "Pay television services or specialty services" in conditions 5 to 7 excludes mainstream sports and news services and specialty Category B services with fewer than 1 million subscribers.
12. The broadcasting undertaking licensed hereby is designated as a Category A service.

## **Expectations**

The Commission expects that:

- the report on programs of national interest expenditures allocated to independent production be filed with the Commission at the same time as the licensee's other annual reports;

- any dispute regarding terms of trade agreements with independent producer organizations run its course and be handled in accordance with the terms of the agreements before the parties request the Commission's assistance in resolving matters under its jurisdiction; and
- the licensee continues to support script development at its historical levels.

#### **Definitions**

For the purpose of these conditions:

The terms "broadcast month," "broadcast year," "clock hour" and "evening broadcast period" shall have the same meanings as those set out in the *Television Broadcasting Regulations, 1987*.

"Semester" means each six-month period beginning 1 September and 1 March.

A "new Canadian production" means:

(a) a Canadian dramatic program

(i) which exceeds 75 minutes in duration and in relation to which all financial expenditures made by the licensee were made prior to the commencement of principal photography or taping and in which principal photography or taping was completed after 1 January 1985; and

(ii) which is intended for children and exceeds 22.5 minutes in duration and in relation to which all financial expenditures by the licensee were made prior to the completion of principal photography or taping;

(b) and which is a program that has never been broadcast in English in the licensed territory.

An "independent production company" is defined as a Canadian company that is carrying on business in Canada with a Canadian business address, that is owned and controlled by Canadians, whose business is the production of film, videotape or live programs for distribution and in which the licensee and any company related to the licensee owns or controls, directly or indirectly, in aggregate, less than 30% of the equity.

## Appendix 11 to Broadcasting Decision CRTC 2012-241

### Mpix

Application 2011-0510-7, received 6 July 2011

### Conditions of licence and expectations for the pay television Category A service Mpix

1. The licensee shall adhere to the standard conditions of licence for pay television Category A services set out in *Standard conditions of licence, expectations and encouragements for specialty and pay television Category A services*, Broadcasting Regulatory Policy CRTC 2011-443, 27 July 2011, as amended from time to time.
2. (a) The licensee shall provide a regional, English-language general interest pay television Category A service in Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador.  
  
(b) The licensee may draw programming from the following categories set out in item 6 of Schedule I to the *Pay Television Regulations, 1990*, as amended from time to time:
  - 7(a) Ongoing dramatic series – programs drawn from this category must have been copyrighted at least five years prior to the year in which they are broadcast by the service;
  - 7(b) Ongoing comedic series (sitcoms) – programs drawn from this category must have been copyrighted at least five years prior to the year in which they are broadcast by the service;
  - 7(c) Made-for-television feature films – programs drawn from this category must have been copyrighted at least five years prior to the year in which they are broadcast by the service;
  - 7(d) Theatrical feature films aired on television – programs drawn from this category must have been copyrighted at least three years prior to the year in which they are broadcast by the service;
  - 13 Public service announcements; and
  - 15 Filler programming.
- (c) Other programming shall be limited to programs that are feature-film-related and intended to set in context the feature film or films they accompany in the schedule.
- (d) The licensee shall not devote more than 15% of the programming broadcast during the broadcast year to programming drawn from subcategories 7(a) and 7(b) combined.

3. During each semester of the licence term, the licensee shall devote no less than 20% of the period from 6 p.m. to 11 p.m. (Eastern time) and 20% of the remainder of the broadcast day to the broadcast of Canadian programming.
4. Except as provided for in conditions 5 and 9 and in accordance with *A group-based approach to the licensing of private television services*, Broadcasting Regulatory Policy CRTC 2010-167, 22 March 2010, the licensee shall in each broadcast year devote to the acquisition of or investment in Canadian programming 30% of
  - a) in the first broadcast year of the licence term, the average of the previous three years' gross revenues of the undertaking;
  - b) in each subsequent broadcast year of the licence term, the previous year's gross revenues of the undertaking.
5. The licensee may count expenditures made for the acquisition of or investment in Canadian programming by one or more pay television services or specialty services from the "Astral group" in the same broadcast year towards fulfilling the requirement in condition 4 as long as these expenditures are not used by those pay television services or specialty services towards fulfilling their own Canadian programming expenditure requirement.
6. Except as provided for in conditions 7, 8 and 9 and in accordance with *A group-based approach to the licensing of private television services*, Broadcasting Regulatory Policy CRTC 2010-167, 22 March 2010, the licensee shall in each broadcast year devote to the acquisition of or investment in programs of national interest, namely programs drawn from categories 2(b) Long-form documentary, 7 Drama and comedy, and eligible Canadian award shows, 16% of
  - a) in the first broadcast year of the licence term, the average of the previous three years' gross revenues of all specialty services and pay television services from the "Astral group";
  - b) in each subsequent broadcast year of the licence term, the previous year's gross revenues of all specialty services and pay television services from the "Astral group."
7. The licensee may count expenditures made for the acquisition of or investment in programs of national interest by one or more pay television services or specialty services from the "Astral group" in the same broadcast year towards fulfilling the requirement in condition 6 as long as these expenditures are not used by those pay television services or specialty services towards fulfilling their own programs of national interest requirements.
8. At least 75% of the expenditures in condition of licence 6 must be made to an independent production company.

9. (a) In each broadcast year of the licence term, excluding the final year, the licensee may expend an amount on Canadian programming and/or on programs of national interest that is up to 5% less than the minimum required expenditure for that year calculated in accordance with conditions 4 and 6 respectively; in such case, the licensee shall expend in the next broadcast year of the licence term, in addition to the minimum required expenditure for that year, the full amount of the previous year's under-expenditure.

(b) In each broadcast year of the licence term, excluding the final year, where the licensee expends an amount for that year on Canadian programming or programs of national interest that is greater than the minimum required expenditure as set out in conditions 4 and 6, the licensee may deduct that amount as long as it does not exceed 5% of the minimum required expenditure in that year from the minimum required expenditure for the following year of the licence term.

(c) Notwithstanding paragraphs (a) and (b) above, during the licence term, the licensee shall expend on Canadian programming and programs of national interest, at a minimum, the total of the minimum required expenditures calculated in accordance with conditions 4 and 6.
10. In making the calculations required for the purposes of conditions of licence 4 to 9, the licensee shall use only the accrual method of accounting, with the exception of equity investments in Canadian feature films, for which cash outlays may be taken into account and for which the licensee shall provide proof of payment on a yearly basis. In order to fulfill conditions 4 to 9, the licensee may have the first three years of the licence term to align its spending with its expenditure requirements as calculated using an accrual method. The accrual method must be fully implemented and in effect for the broadcast year ending 31 August 2016. A reconciliation must be included with the annual return for each of the first three years of the licence term detailing the amount of expenditures on Canadian programming and programs of national interest incurred under the accrual method and reconciling this amount with that incurred under the cash outlay method.
11. As part of the expenditures on Canadian programming made under conditions of licence 4(a) and 4(b), the licensee may include, over the licence term, a maximum of \$500,000 of its expenditures devoted to the preservation and restoration of Canadian films.
12. "Pay television services or specialty services" in conditions 5 to 7 excludes mainstream sports and news services and specialty Category B services with fewer than 1 million subscribers.
13. The broadcasting undertaking licensed hereby is designated as a Category A service.

## **Expectations**

The Commission expects that:

- the report on programs of national interest expenditures allocated to independent production be filed with the Commission at the same time as the licensee's other annual reports;
- any dispute regarding terms of trade agreements with independent producer organizations run its course and be handled in accordance with the terms of the agreements before the parties request the Commission's assistance in resolving matters under its jurisdiction; and
- the licensee continue to license all Canadian films that are appropriate for its service.

## **Definitions**

For the purpose of these conditions:

The terms "broadcast month," "broadcast year," "clock hour" and "evening broadcast period" shall have the same meanings as those set out in the *Television Broadcasting Regulations, 1987*.

"Semester" means each six-month period beginning 1 September and 1 March.

An "independent production company" is defined as a Canadian company that is carrying on business in Canada with a Canadian business address, that is owned and controlled by Canadians, whose business is the production of film, videotape or live programs for distribution and in which the licensee and any company related to the licensee owns or controls, directly or indirectly, in aggregate, less than 30% of the equity.

## Appendix 12 to Broadcasting Decision CRTC 2012-241

### Super Écran

Application 2011-0512-2, received 6 July 2011

### Conditions of licence and expectations for the pay television Category A service Super Écran

1. The licensee shall adhere to the standard conditions of licence for pay television Category A services set out in *Standard conditions of licence, expectations and encouragements for specialty and pay television Category A services*, Broadcasting Regulatory Policy CRTC 2011-443, 27 July 2011, as amended from time to time.
2. (a) The licensee shall provide a national French-language general interest pay television Category A service with programming intended for all audiences.  
  
(b) The licensee may draw programming from all categories listed in item 6 of Schedule I to the *Pay Television Regulations*, 1990, as amended from time to time, with the exception of programs from the following categories:
  - 1 News
  - 4 Religion
  - 5(a) Formal education and preschool
  - (b) Informal education/recreation and leisure
  - 14 Infomercials, promotional and corporate videos
- (c) In each broadcast year of the licence term, the licensee shall devote to the broadcast of Canadian dramatic programs no less than 50% of the time that it is required to devote to the broadcast of Canadian programs.
- (d) The licensee shall devote at least 50% of its programming schedule during each semester to programs drawn from category 7 Drama and comedy.
- (e) The licensee shall not devote more than 5% of its programming schedule during each semester to programming from categories 6(a) Professional sports and 6(b) Amateur sports combined, with a maximum of 20 hours in any broadcast week.
3. During each semester, the licensee shall devote no less than 20% of the period from 6 p.m. to 11 p.m. (Eastern time) and 20% of the remainder of the broadcast day to the broadcast of Canadian programming.
4. Except as provided for in conditions 5 and 9 and in accordance with *A group-based approach to the licensing of private television services*, Broadcasting Regulatory Policy CRTC 2010-167, 22 March 2010, the licensee shall in each broadcast year devote to the acquisition of or investment in Canadian programming 30% of
  - (a) in the first broadcast year of the licence term, the average of the previous three years' gross revenues of the undertaking;

- (b) in each subsequent broadcast year of the licence term, the previous year's gross revenues of the undertaking.
5. The licensee may count expenditures made for the acquisition of or investment in Canadian programming by one or more pay television services or specialty services from the "Astral group" in the same broadcast year towards fulfilling the requirement in condition 4 as long as these expenditures are not used by those pay television services or specialty services towards fulfilling their own Canadian programming expenditure requirement.
  6. Except as provided for in conditions 7, 8 and 9 and in accordance with *A group-based approach to the licensing of private television services*, Broadcasting Regulatory Policy CRTC 2010-167, 22 March 2010, the licensee shall in each broadcast year devote to the acquisition of or investment in programs of national interest, namely programs drawn from categories 2(b) Long-form documentary, 7 Drama and comedy, 8(a) Music and dance other than music video programs or clips, 8(b) Music video clips, 8(c) Music video programs and 9 Variety, 16% of
    - a) in the first broadcast year of the licence term, the average of the previous three years' gross revenues of all specialty services and pay television services from the "Astral group";
    - b) in each subsequent broadcast year of the licence term, the previous year's gross revenues of all specialty services and pay television services from the "Astral group."
  7. The licensee may count expenditures made for the acquisition of or investment in programs of national interest by one or more pay television services or specialty services from the "Astral group" in the same broadcast year towards fulfilling the requirement in condition 6 as long as these expenditures are not used by those pay television services or specialty services towards fulfilling their own programs of national interest requirements.
  8. At least 75% of the expenditures in condition of licence 6 must be made to an independent production company.
  9. (a) In each broadcast year of the licence term, excluding the final year, the licensee may expend an amount on Canadian programming and/or on programs of national interest that is up to 5% less than the minimum required expenditure for that year calculated in accordance with conditions 4 and 6 respectively; in such case, the licensee shall expend in the next broadcast year of the licence term, in addition to the minimum required expenditure for that year, the full amount of the previous year's under-expenditure.
 

(b) In each broadcast year of the licence term, excluding the final year, where the licensee expends an amount for that year on Canadian programming or programs of national interest that is greater than the minimum required expenditure as set out in

conditions 4 and 6, the licensee may deduct that amount as long as it does not exceed 5% of the minimum required expenditure in that year from the minimum required expenditure for the following year of the licence term.

(c) Notwithstanding paragraphs (a) and (b) above, during the licence term, the licensee shall expend on Canadian programming and programs of national interest, at a minimum, the total of the minimum required expenditures calculated in accordance with conditions 4 and 6.

10. In making the calculations required for the purposes of conditions of licence 4 to 9, the licensee shall use only the accrual method of accounting, with the exception of equity investments in Canadian feature films, for which cash outlays may be taken into account and for which the licensee shall provide proof of payment on a yearly basis. In order to fulfill conditions 4 to 9, the licensee may have the first three years of the licence term to align its spending with its expenditure requirements as calculated using an accrual method. The accrual method must be fully implemented and in effect for the broadcast year ending 31 August 2016. A reconciliation must be included with the annual return for each of the first three years of the licence term detailing the amount of expenditures on Canadian programming and programs of national interest incurred under the accrual method and reconciling this amount with that incurred under the cash outlay method.
11. The licensee shall not broadcast any film or video production with respect to which it has carried on activities other than financing or distribution. Where the licensee has carried on financing or distribution activities with respect to a film or video production, it shall not broadcast that film or video production unless all actual production and creative control, apart from financial approvals which the pay television licensee normally requires, remains the full responsibility of an independent Canadian production company.
12. "Pay television services or specialty services" in conditions 5 to 7 excludes mainstream sports and news services and specialty Category B services with fewer than 1 million subscribers.
13. The broadcasting undertaking licensed hereby is designated as a Category A service.

## **Expectations**

The Commission expects that:

- the report on programs of national interest expenditures allocated to independent production be filed with the Commission at the same time as the licensee's other annual reports;
- any dispute regarding terms of trade agreements with independent producer organizations run its course and be handled in accordance with the terms of the

agreements before the parties request the Commission's assistance in resolving matters under its jurisdiction;

- the licensee ensure that the programs broadcast by the service provide an appropriate reflection of all regions of Quebec, including regions outside Montréal, and all regions of Canada. The Commission further expects the licensee to provide producers located in these regions with the opportunity to produce programs for its service.

#### **Definitions**

For the purpose of these conditions:

The terms "broadcast month," "broadcast year," "clock hour" and "evening broadcast period" shall have the same meanings as those set out in the *Television Broadcasting Regulations, 1987*.

"Semester" means each six-month period beginning 1 September and 1 March.

An "independent production company" is defined as a Canadian company that is carrying on business in Canada with a Canadian business address, that is owned and controlled by Canadians, whose business is the production of film, videotape or live programs for distribution and in which the licensee and any company related to the licensee owns or controls, directly or indirectly, in aggregate, less than 30% of the equity.

## Appendix 13 to Broadcasting Decision CRTC 2012-241

### The Movie Network

Application 2011-0511-4, received 6 July 2011

### Conditions of licence and expectations for the pay television Category A service The Movie Network

#### Conditions of licence

1. The licensee shall adhere to the standard conditions of licence for pay television Category A services set out in *Standard conditions of licence, expectations and encouragements for specialty and pay television Category A services*, Broadcasting Regulatory Policy CRTC 2011-443, 27 July 2011, as amended from time to time.
2. (a) The licensee shall provide a regional, English-language general interest pay television Category A service in Ontario, Quebec and in the Atlantic provinces (Eastern Canada), with programming intended for all audiences.  
  
(b) The licensee may draw programming from all the categories set out in item 6 of Schedule I to the *Pay Television Regulations*, 1990, as amended from time to time, with the exception of programming from the following categories:
  - 1 News
  - 4 Religion
  - 5(a) Formal education and preschool
  - (b) Informal education/Recreation and leisure
  - 14 Infomercials, promotional and corporate videos
- (c) In each broadcast year of the licence term, the licensee shall devote to the broadcast of Canadian dramatic programs no less than 50% of the time that it is required to devote to the broadcast of Canadian programs.
- (d) The licensee shall devote at least 50% of its programming schedule during each semester to programs drawn from category 7 Drama and comedy.
- (e) The licensee shall not devote more than 5% of its programming schedule during each semester to programming drawn from categories 6(a) Professional sports and 6(b) Amateur sports combined, with a maximum of 20 hours in any broadcast week.
3. During each semester, the licensee shall devote no less than 30% of the period from 6 p.m. to 11 p.m. (Eastern time) and 25% of the remainder of the broadcast day to the broadcast of Canadian programming.

For the purpose of this condition, a 150% credit will be given for time during which the licensee distributes a new Canadian production that begins between 6 p.m. and 11 p.m. (Eastern time) or, in the case of a new Canadian production intended for children, at an appropriate viewing hour between 6 a.m. and 9 p.m., and the licensee

will receive such a credit for each subsequent showing in the specified time periods of such a production within a two-year period from the date of first showing by the licensee.

4. Except as provided for in conditions 5 and 9 and in accordance with *A group-based approach to the licensing of private television services*, Broadcasting Regulatory Policy CRTC 2010-167, 22 March 2010, the licensee shall in each broadcast year devote to the acquisition of or investment in Canadian programming 30% of
  - a) in the first broadcast year of the licence term, the average of the previous three years' gross revenues of the undertaking;
  - b) in each subsequent broadcast year of the licence term, the previous year's gross revenues of the undertaking.
5. The licensee may count expenditures made for the acquisition of or investment in Canadian programming by one or more pay television services or specialty services from the "Astral group" in the same broadcast year towards fulfilling the requirement in condition 4 as long as these expenditures are not used by those pay television services or specialty services towards fulfilling their own Canadian programming expenditure requirement.
6. Except as provided for in conditions 7, 8 and 9 and in accordance with *A group-based approach to the licensing of private television services*, Broadcasting Regulatory Policy CRTC 2010-167, 22 March 2010, the licensee shall in each broadcast year devote to the acquisition of or investment in programs of national interest, namely programs drawn from categories 2(b) Long-form documentary, 7 Drama and comedy, and eligible Canadian award shows, 16% of
  - a) in the first broadcast year of the licence term, the average of the previous three years' gross revenues of all specialty services and pay television services from the "Astral group";
  - b) in each subsequent broadcast year of the licence term, the previous year's gross revenues of all specialty services and pay television services from the "Astral group."
7. The licensee may count expenditures made for the acquisition of or investment in programs of national interest by one or more pay television services or specialty services from the "Astral group" in the same broadcast year towards fulfilling the requirement in condition 6 as long as these expenditures are not used by those pay television services or specialty services towards fulfilling their own programs of national interest requirements.
8. At least 75% of the expenditures in condition of licence 6 must be made to an independent production company.

9. (a) In each broadcast year of the licence term, excluding the final year, the licensee may expend an amount on Canadian programming and/or on programs of national interest that is up to 5% less than the minimum required expenditure for that year calculated in accordance with conditions 4 and 6 respectively; in such case, the licensee shall expend in the next broadcast year of the licence term, in addition to the minimum required expenditure for that year, the full amount of the previous year's under-expenditure.
- (b) In each broadcast year of the licence term, excluding the final year, where the licensee expends an amount for that year on Canadian programming or programs of national interest that is greater than the minimum required expenditure as set out in conditions 4 and 6, the licensee may deduct that amount as long as it does not exceed 5% of the minimum required expenditure in that year from the minimum required expenditure for the following year of the licence term.
- (c) Notwithstanding paragraphs (a) and (b) above, during the licence term, the licensee shall expend on Canadian programming and programs of national interest, at a minimum, the total of the minimum required expenditures calculated in accordance with conditions 4 and 6.
10. In making the calculations required for the purposes of conditions of licence 4 to 9, the licensee shall use only the accrual method of accounting, with the exception of equity investments in Canadian feature films, for which cash outlays may be taken into account and for which the licensee shall provide proof of payment on a yearly basis. In order to fulfill conditions 4 to 9, the licensee may have the first three years of the licence term to align its spending with its expenditure requirements as calculated using an accrual method. The accrual method must be fully implemented and in effect for the broadcast year ending 31 August 2016. A reconciliation must be included with the annual return for each of the first three years of the licence term detailing the amount of expenditures on Canadian programming and programs of national interest incurred under the accrual method and reconciling this amount with that incurred under the cash outlay method.
11. "Pay television services or specialty services" in conditions 5 to 7 excludes mainstream sports and news services and specialty Category B services with fewer than 1 million subscribers.
12. The broadcasting undertaking licensed hereby is designated as a Category A service.

## **Expectations**

The Commission expects that:

- the report on programs of national interest expenditures allocated to independent production be filed with the Commission at the same time as the licensee's other annual reports;

- any dispute regarding terms of trade agreements with independent producer organizations run its course and be handled in accordance with the terms of the agreements before the parties request the Commission's assistance in resolving matters under its jurisdiction; and
- the licensee continue to license all Canadian films that are appropriate for its service.

### **Definitions**

For the purpose of these conditions:

The terms "broadcast month," "broadcast year," "clock hour" and "evening broadcast period" shall have the same meanings as those set out in the *Television Broadcasting Regulations, 1987*.

"Semester" means each six-month period beginning 1 September and 1 March.

An "independent production company" is defined as a Canadian company that is carrying on business in Canada with a Canadian business address, that is owned and controlled by Canadians, whose business is the production of film, videotape or live programs for distribution and in which the licensee and any company related to the licensee owns or controls, directly or indirectly, in aggregate, less than 30% of the equity.

A "new Canadian production" means:

(a) a Canadian dramatic program

(i) which exceeds 75 minutes in duration and in relation to which all financial expenditures made by the licensee were made prior to the commencement of principal photography or taping and in which principal photography or taping was completed after 1 January 1985; and

(ii) which is intended for children and exceeds 22.5 minutes in duration and in relation to which all financial expenditures by the licensee were made prior to the completion of principal photography or taping;

(b) and which is a program that has never been broadcast in English in the licensed territory.

## Appendix 14 to Broadcasting Decision CRTC 2012-241

### Disney Junior

Application 2011-0513-0, received 6 July 2011

### Conditions of licence and expectations for the specialty Category B service Disney Junior

1. The licensee shall adhere to the standard conditions of licence for specialty Category B services set out in *Standard conditions of licence, expectations and encouragements for Category B pay and specialty services – Corrected Appendices 1 and 2*, Broadcasting Regulatory Policy CRTC 2010-786-1, 18 July 2011, as amended from time to time.
2. (a) The licensee shall provide a national French-language specialty Category B service that offers programming dedicated to children aged two to six years, except between 9 p.m. and midnight, when the schedule may include programs of interest to parents of pre-school children.  
  
(b) The licensee may draw programming from the following categories set out in item 6 to Schedule I of the *Specialty Services Regulations, 1990*, as amended from time to time:
  - 2 (a) Analysis and interpretation  
(b) Long-form documentary
  - 5 (a) Formal education and pre-school  
(b) Informal education/Recreation and leisure
  - 7 Drama and comedy
    - (a) Ongoing drama series
    - (b) Ongoing comedy series (sitcoms)
    - (c) Specials, mini-series or made-for-TV feature films
    - (d) Theatrical feature films aired on TV
    - (e) Animated television programs and films
    - (f) Programs of comedy sketches, improvisations, unscripted works, stand-up comedy
    - (g) Other drama
  - 8 (a) Music and dance other than music video programs or clips  
(b) Music video clips  
(c) Music video programs
  - 9 Variety
  - 10 Game shows
  - 11 (a) General entertainment and human interest  
(b) Reality television
  - 12 Interstitials
  - 13 Public service announcements
  - 14 Infomercials, promotional and corporate videos

(c) The licensee shall not devote more than 10% of the broadcast week to programs drawn from categories 8(a), 8(b) and 8(c) combined.

(d) The licensee shall not devote more than 15% of all programming broadcast between 9 p.m. and midnight to programs drawn from category 7 Drama and comedy. These programs shall address subjects of interest to parents of pre-school children.

3. The broadcasting undertaking licensed hereby is designated as a Category B service.

### **Expectations**

The Commission expects that:

- the report on programs of national interest expenditures allocated to independent production be filed with the Commission at the same time as the licensee's other annual reports;
- any dispute regarding terms of trade agreements with independent producer organizations run its course and be handled in accordance with the terms of the agreements before the parties request the Commission's assistance in resolving matters under its jurisdiction; and
- the licensee ensure that the programs broadcast by the service provide an appropriate reflection of all regions of Quebec, including regions outside Montréal, and all regions of Canada. The Commission further expects the licensee to provide producers located in these regions with the opportunity to produce programs for its service.

### **Definition**

For the purpose of these conditions:

The term "broadcast day" refers to the 24-hour period beginning each day at 6 a.m. or any other period approved by the Commission.

## Appendix 15 to Broadcasting Decision CRTC 2012-241

### Cinépop

Application 2011-0514-8, received 6 July 2011

### Conditions of licence and expectations for the pay television Category B service Cinépop

1. The licensee shall adhere to the standard conditions of licence for pay television Category B services set out in *Standard conditions of licence, expectations and encouragements for Category B pay and specialty services – Corrected Appendices 1 and 2*, Broadcasting Regulatory Policy CRTC 2010-786-1, 18 July 2011, as amended from time to time.
2. (a) The licensee shall provide a national French-language pay television Category B service with programming devoted to a diverse selection of popular Canadian and international general interest feature-length repertory fiction movies. The service shall also present programs related to the feature films broadcast and their context.  
  
(b) The licensee may draw programming from all the following categories set out in item 6 to Schedule I of the *Pay Television Regulations, 1990*, as amended from time to time:
  - 2 (b) Long-form documentary
  - 7 (c) Specials, mini-series or made-for-TV feature films
  - (d) Theatrical feature films aired on TV
  - 15 Filler programming
- (c) The licensee shall not devote more than 10% of the broadcast month to programs drawn from category 2(b).
3. In each broadcast year, the licensee shall devote no less than 20% of the broadcast day and no less than 20% of the evening broadcast period to the broadcast of Canadian programs.
4. Except as provided for in conditions 5 and 9 and in accordance with *A group-based approach to the licensing of private television services*, Broadcasting Regulatory Policy CRTC 2010-167, 22 March 2010, the licensee shall in each broadcast year devote to the acquisition of or investment in Canadian programming 30% of
  - a) in the first broadcast year of the licence term, the average of the previous three years' gross revenues of the undertaking;
  - b) in each subsequent broadcast year of the licence term, the previous year's gross revenues of the undertaking.

5. The licensee may count expenditures made for the acquisition of or investment in Canadian programming by one or more pay television services or specialty services from the “Astral group” in the same broadcast year towards fulfilling the requirement in condition 4 as long as these expenditures are not used by those pay television services or specialty services towards fulfilling their own Canadian programming expenditure requirement.
6. Except as provided for in conditions 7, 8 and 9 and in accordance with *A group-based approach to the licensing of private television services*, Broadcasting Regulatory Policy CRTC 2010-167, 22 March 2010, the licensee shall in each broadcast year devote to the acquisition of or investment in programs of national interest, namely programs drawn from categories 2(b) Long-form documentary, 7 Drama and comedy, 8(a) Music and dance other than music video programs or clips, 8(b) Music video clips, 8(c) Music video programs and 9 Variety, 16% of
  - a) in the first broadcast year of the licence term, the average of the previous three years’ gross revenues of all specialty services and pay television services from the “Astral group”;
  - b) in each subsequent broadcast year of the licence term, the previous year’s gross revenues of all specialty services and pay television services from the “Astral group.”
7. The licensee may count expenditures made for the acquisition of or investment in programs of national interest by one or more pay television services or specialty services from the “Astral group” in the same broadcast year towards fulfilling the requirement in condition 6 as long as these expenditures are not used by those pay television services or specialty services towards fulfilling their own programs of national interest requirements.
8. At least 75% of the expenditures in condition of licence 6 must be made to an independent production company.
9. (a) In each broadcast year of the licence term, excluding the final year, the licensee may expend an amount on Canadian programming and/or on programs of national interest that is up to 5% less than the minimum required expenditure for that year calculated in accordance with conditions 4 and 6 respectively; in such case, the licensee shall expend in the next broadcast year of the licence term, in addition to the minimum required expenditure for that year, the full amount of the previous year’s under-expenditure.
  - (b) In each broadcast year of the licence term, excluding the final year, where the licensee expends an amount for that year on Canadian programming or programs of national interest that is greater than the minimum required expenditure as set out in conditions 4 and 6, the licensee may deduct that amount as long as it does not exceed 5% of the minimum required expenditure in that year from the minimum required expenditure for the following year of the licence term.

(c) Notwithstanding paragraphs (a) and (b) above, during the licence term, the licensee shall expend on Canadian programming and programs of national interest, at a minimum, the total of the minimum required expenditures calculated in accordance with conditions 4 and 6.

10. “Pay television services or specialty services” in conditions 5 to 7 excludes mainstream sports and news services and specialty Category B services with less than 1 million subscribers.
11. The broadcasting undertaking licensed hereby is designated as a Category B service.

## **Expectations**

The Commission expects that:

- the report on programs of national interest expenditures allocated to independent production be filed with the Commission at the same time as the licensee’s other annual reports;
- any dispute regarding terms of trade agreements with independent producer organizations run its course and be handled in accordance with the terms of the agreements before the parties request the Commission’s assistance in resolving matters under its jurisdiction; and
- the licensee ensure that the programs broadcast by the service provide an appropriate reflection of all regions of Quebec, including regions outside Montréal, and all regions of Canada. The Commission further expects the licensee to provide producers located in these regions with the opportunity to produce programs for its service.

## **Definitions**

For the purpose of these conditions:

The terms “broadcast month,” “broadcast year,” “clock hour” and “evening broadcast period” shall have the same meanings as those set out in the *Television Broadcasting Regulations, 1987*.

An “independent production company” is defined as a Canadian company that is carrying on business in Canada with a Canadian business address, that is owned and controlled by Canadians, whose business is the production of film, videotape or live programs for distribution and in which the licensee and any company related to the licensee owns or controls, directly or indirectly, in aggregate, less than 30% of the equity.