



## Broadcasting Decision CRTC 2011-446

PDF version

Route reference: 2010-952-1

Additional references: 2010-952-2, 2010-952-3 and 2010-952-4

Ottawa, 27 July 2011

### **Corus Entertainment Inc., on behalf of various licensees** Across Canada

*The application numbers are set out in the appendices to this decision.  
Public hearing in the National Capital Region  
4 April 2011*

### **Corus Entertainment Inc. – Group-based licence renewals**

*The Commission **renews** the broadcasting licences for the various television services affiliated with the Corus Entertainment Inc. broadcasting ownership group from 1 September 2011 to 31 August 2016.*

#### **Introduction**

1. The Commission received applications by Corus Entertainment Inc. (Corus), on behalf of the licensees listed in Appendix 1 to this decision, to renew the broadcasting licences for the conventional television stations, the specialty and pay television Category A services, the specialty Category B services and the ethnic services set out in that appendix.
2. In Broadcasting Regulatory Policy [2010-167](#) (the group-based policy), the Commission established a comprehensive framework for the group-based licensing of private television services affiliated with large English-language Canadian broadcast ownership groups, including those services affected by this decision. The groups meeting the criteria at that time were CTVglobemedia (now Bell Media), Canwest (now Shaw) and Rogers. Corus requested that its television services also be renewed under the new group-based licensing framework. The Commission's determinations relating to the implementation of group-based licensing are set out in Broadcasting Decision 2011-441 (the introductory decision), also issued today, which should be read in conjunction with this decision.
3. The Commission received numerous interventions relating to the above-noted applications. The 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."

4. Having examined the applications and replies made by the Corus group<sup>1</sup> as well as the various interventions concerning this group of services, the Commission **renews** the broadcasting licences for the various television services affiliated with the Corus Entertainment Inc. broadcasting ownership group that are listed in Appendix 1<sup>2</sup> to this decision. The new licence will be subject to the applicable **conditions of licence** set out in Appendices 2 through 16, as well as the standard conditions of licence set out in Broadcasting Regulatory Policies [2009-562-1](#), 2011-442, 2011-443 and 2010-786-1. The new licences will take effect on 1 September 2011 and expire 31 August 2016.
5. In the introductory decision, the Commission set out its determinations on issues that apply both to the Corus group and the other large English-language ownership groups. These determinations are reflected below and in the conditions of licence of the various services. In addition, the Commission considers that the following issues specific to the Corus group should be examined in greater detail:
  - inclusion of pay television services within the Corus group;
  - Canadian programming expenditures (CPE);
  - expenditures on programs of national interest (PNI);
  - use of cash accounting for calculating CPE and PNI expenditures;
  - certain issues specific to the following services:
    - Corus conventional television stations;
    - compliance with nature of service and licence amendments for Country Music Television (CMT);
    - compliance with nature of service for OWN: The Oprah Winfrey Network (OWN);
    - advertising on Treehouse TV and YTV;
    - licence amendments for YTV; and
    - annual reporting on tangible benefits.

### **Inclusion of pay television services within the Corus group**

6. In its application, Corus included its pay television services, Encore Avenue and Movie Central, as part of the Corus group for the purpose of calculating CPE and PNI expenditures. The Canadian Media Production Association (CMPA), the Canadian Association of Film Distributors and Exporters, the Directors Guild of Canada (DGC) and Telefilm Ontario, among other interveners, recommended that pay television

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<sup>1</sup> Corus group includes only those services that contribute to Canadian programming expenditures and programs of national interest listed in Appendix 1.

<sup>2</sup> Since the licences of certain services will not expire by 31 August 2011, these services have requested that their current licences be revoked and that new licences be issued as part of this proceeding. The services are denoted by an “\*” in Appendix 1.

services not be given the flexibility to allocate their CPE to other services in the Corus group, as contemplated in the group-based policy. The CMPA submitted that if Corus had this flexibility, it would significantly erode broadcaster support for Canadian feature films.

7. At the hearing, the DGC suggested that as an alternative the flexibility to allocate CPE from pay television services to other services within the group be limited to 25%, just as conventional television licensees within a group have the flexibility to attribute only up to 25% of their required spending to other types of services within the same group.
8. The Commission notes that in order to meet the 30% group CPE requirement without increasing its conventional television CPE contributions over 28%, Corus has proposed to increase the CPE requirements for Movie Central and Encore Avenue to 31%. The Commission also notes that Movie Central and Encore Avenue account for approximately a third of Corus's total revenues and CPE contributions in 2011 and that if pay services were not permitted to allocate CPE to other services in the same group or limited in this flexibility, Corus would not fully benefit from the group approach in the same manner as the other groups.
9. The Commission considers that the inclusion of pay television services in the Corus group for the calculation of CPE and PNI expenditures would ensure that feature films continue to receive significant funding from pay television services, since PNI expenditure obligations include feature films. The Commission further notes that Movie Central and Encore Avenue will retain their respective exhibition requirements and that both services will be subject to an expectation to license all Canadian feature films suitable for each service, which should mitigate any impact on Canadian feature films occasioned by the attribution of CPE spending to other services. In addition, the Commission has approved Corus's request to maintain Movie Central's authorization to claim a 150% time credit for new Canadian productions. The Commission is of the view that this time credit as well as the other provisions noted above will enable Movie Central to continue providing significant support for the production of new Canadian feature films in the next licence term.
10. In light of the above, the Commission considers it appropriate to include pay television services in the Corus group for the purpose of calculating CPE and PNI. Moreover, the Commission will not limit the flexibility to attribute required spending to other specialty services within the group other than as provided for in paragraphs 12 and 14 of this decision.

### **Canadian programming expenditures**

11. Consistent with its determinations in the introductory decision and the commitments made by the Corus group in this proceeding, the Commission has established a minimum group CPE level of 30% for the Corus group. As part of this requirement, the Corus conventional television stations will be required to collectively reach a minimum CPE level of 28%. The group CPE level will be implemented through

conditions of licence imposed on the various qualifying conventional television stations and pay television and specialty services, as set out in the appendices to this decision.

12. In the first broadcast year of the licence term, the required minimum CPE resulting from the above-noted levels will be calculated using the average of the undertakings' gross revenues in the previous three years. In each subsequent broadcast year of the licence term, the CPE levels will be calculated using the undertakings' gross revenues in the previous year. Consistent with the group-based policy, the Commission has also set out flexibility provisions for CPE requirements. Specifically, qualifying specialty and pay television services have the flexibility to attribute 100% of their required CPE to any other qualifying pay television service, specialty service or conventional television station within the same designated group. Conventional television stations have the flexibility to attribute a maximum of 25% of their required CPE to qualifying specialty and pay television services within the designated group.

### **Expenditures on programs of national interest**

13. Consistent with its determinations in the introductory decision, the Commission has established a minimum group expenditure requirement of 9% on PNI, as defined in the group-based policy, for the Corus group. The group PNI expenditure requirement level will be implemented through conditions of licence imposed on the various qualifying services, as set out in the appendices to this decision.
14. As with CPE, in the first broadcast year of the licence term, the PNI requirement for each service will be calculated using the average of the undertakings' gross revenues in the previous three years. In each subsequent broadcast year of the licence term, the PNI requirement will be calculated using the undertakings' gross revenues in the previous year. Consistent with the group-based policy, the Commission will also grant qualifying services the flexibility to attribute 100% of their required PNI expenditures to any other qualifying service within the same designated group.
15. As set out in the group-based policy, no less than 75% of expenditures on PNI must be made to an independent production company.

### **Use of cash accounting for calculating CPE and PNI expenditures**

16. Corus is currently authorized to calculate its CPE on a cash outlay basis for the pay television services Movie Central and Encore Avenue, as well as the specialty services W Network and YTV. Corus has indicated that it also calculates CPE on the same basis for its specialty service OWN. In its application, Corus requested that it be authorized to calculate its CPE for all of its services on a cash outlay basis.
17. The Commission notes that Corus's practice of calculating CPE on a cash outlay basis is not in line with the practice of the other designated groups, which use the accrual

method.<sup>3</sup> Further, the Commission considers that the use of the cash outlay method is inconsistent with the Canadian generally accepted accounting principles (GAAP) to which licensees are required to adhere when filing their annual returns. Finally, the Commission notes that calculation of CPE on a cash outlay basis would require the Corus services to submit written proof for every expenditure made, creating an undue administrative burden for these licensees as well as for the Commission, whereas the accrual method would allow the Commission and Corus services to rely on audited financial statements as proof of payment and would increase comparability between Corus and the other designated groups. Accordingly, the Commission **denies** Corus's request to calculate its CPE for its specialty services on a cash outlay basis and requires W Network, YTV and OWN to calculate CPE using exclusively the accrual method.

18. With respect to Corus's pay television services, the Commission has decided to maintain the authorization to include equity investments made on a cash outlay basis in the calculation of CPE. The Commission considers that such an authorization provides an important incentive to ongoing investment in Canadian feature films. Encore Avenue and Movie Central will be required to provide proof of payment for all equity investments on a yearly basis. However, all other expenditures included in CPE must be calculated on an accrual basis.

19. The Commission recognizes that the change to the accrual method of accounting will make it difficult for the licensees to meet their requirements in the short term. Accordingly, the Commission has imposed conditions of licence on Encore Avenue, Movie Central, W Network, YTV and OWN providing them with three years (i.e. the average amortization period) to align their spending with their expenditure requirements as calculated using an accrual method. A reconciliation must be included with the annual return for each of the first three years of the licence term detailing the amount of CPE incurred under the accrual method and reconciling this amount with that incurred under the cash method.

## **Issues specific to certain services**

### **Corus conventional television stations**

20. At the hearing, Corus stated that its conventional television stations should not be subject to the standard described video requirement, given that these stations are affiliates of the Canadian Broadcasting Corporation (CBC). A majority of the programming of these stations comes from the CBC, including programming from categories 2(b) Long-form documentary, 7 Drama and comedy, 9 Variety and 11(a) General entertainment and human interest that may be used to fulfill described video requirements. However, the CBC is not currently subject to a described video requirement.

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<sup>3</sup> Under the cash-based method, 100% of an expense is recorded when the payment is made. Under the accrual method, which uses amortization, a portion of the full amount paid is recorded as CPE in the first year and the remaining portion is recorded in subsequent years.

21. In Broadcasting and Telecom Regulatory Policy 2009-430, the Commission stated that it intended to apply existing described video requirements to English- and French-language television services operated by the CBC. The Commission also stated that it intended to impose these requirements at the time of licence renewal to take into account the specific circumstances of licensees, but encouraged licensees to reach the established levels for described video as soon as possible.
22. Given the status of Corus's conventional television stations as CBC affiliates, the Commission considers that it would be appropriate to suspend the application of the standard described video requirement until it has examined this issue with the CBC at its upcoming licence renewal and issued its decision. A **condition of licence** to this effect is set out in Appendix 2.
23. With respect to CKWS-TV-1 Brighton and CKWS-TV-2 Prescott, which air programming segments split-fed from the programming of CKWS-TV Kingston, the Commission notes that Corus did not indicate any plans to increase the amount of split-feed programming in its applications to renew the licences for these undertakings. The Commission encourages the licensee to increase the amount of split-feed news programming it broadcasts on its stations in Brighton and Prescott as resources permit with a view to improving service to these areas.

#### **Country Music Television**

24. Corus requested several amendments to the conditions of licence for its specialty Category A service CMT. In particular, it requested that the amount of programming that must be drawn from category 8(b) Music video clips be reduced from 50% to 25% and that the maximum amount of programming that may be drawn from category 7 Drama and comedy be increased from 15% to 20%.
25. Prior to the hearing, Commission staff asked Corus to provide an explanation as to how some programming on CMT, such as *According to Jim*, *Home Improvement*, *America's Funniest Home Videos*, *Are You Smarter Than a 5<sup>th</sup> Grader?*, *Gilmore Girls* and *Pick a Puppy*, is consistent with its nature of service.
26. Corus stated that all programming on CMT reflected its nature of service as it was in keeping with the general themes of country living – family values, wholesomeness and trust. Corus added that it branded CMT as a family channel and that the added flexibility afforded by the requested amendments would allow for a mix of programming that fits that brand.
27. The Commission is of the view that the proposed reduction in the level of video clips that must be broadcast would be inconsistent with CMT's current nature of service as its programming might no longer predominantly consist of music videos. Moreover, with respect to the requested increase in category 7 programming, in its determinations set out in the introductory decision, the Commission indicated that requests such as this one involving changes in a licensee's nature of service, including changes to authorized program categories that exceed the limits announced in Broadcasting Public Notice 2008-100, would generally be denied. Accordingly, the

Commission **denies** both of these requests for amendments to CMT's conditions of licence.

28. Finally, with respect to the programming broadcast on the service, the Commission is of the view that Corus's interpretation of the country music genre is too broad and that the above-mentioned programs stretch the boundaries of CMT's nature of service. The Commission expects the service to reassess its programming strategies to ensure that all programming is consistent with its nature of service. The Commission intends to monitor CMT's ongoing compliance and review that compliance if necessary.

**OWN: The Oprah Winfrey Network**

29. The service now known as OWN: The Oprah Winfrey Network was originally approved as Canadian Learning Television (CLT) in Decision 96-600. OWN is required to provide formal and informal educational programs and learning opportunities that generally focus on adult education. These educational programs must come from a full spectrum of basic, credit-based, skills-related and life-enhancing programs, many of which must be undertaken in cooperation with colleges, universities and training institutions. Almost all programs must be drawn from categories 5(a) Formal education and pre-school, 5(b) Informal education/Recreation and leisure, 2(a) Analysis and interpretation and 2(b) Long-form documentary. A minimum of 55% of all programs broadcast during the broadcast day must be drawn from category 5(a). Many programs must receive an accreditation from a university, a college or an educational institution.
30. At licensing, the applicant committed to provide courses in basic adult education, such as math and literacy skills, programs providing job skills and professional development and "enhancement programming" designed to interest and engage the viewer and contribute to a "learning culture."
31. In Broadcasting Decision 2008-206, the Commission approved an application for authorization to effect a transaction as a result of which effective control of CLT would be exercised by Corus. Shortly after, Corus announced the rebranding of CLT as VIVA, a women's entertainment channel with a focus on films, television dramas and lifestyle programming. Subsequently, in a press release dated 29 September 2010, VIVA announced its rebranding as OWN as of 1 March 2011. A service of the same name has recently launched in the U.S.
32. At the hearing, the Commission asked the licensee to explain how the programming broadcast on OWN was consistent with its education-focused nature of service. The Commission also asked Corus to provide a sample programming schedule for a given week, including criteria for formal and informal educational programs and explanations as to how its programming fits within its nature of service definition.
33. After reviewing the material provided at the hearing, the Commission notes that the majority of formal educational programs listed on the sample programming schedule are associated with television, media or culture studies courses. More specifically,

eight programs are associated with a single script writing course, and two programs are associated with three different courses in cinematography, story development and video production techniques. The Commission considers that the service's curriculum of educational programs does not achieve the variety of educational programming described in the nature of service definition. The Commission further notes that most of the other programs listed explore the broad themes of food and nutrition, fitness, beauty and well-being, family and relationships, as well as design. Those programs are not inherently educational, but rather conform more closely to the genre of lifestyle programming. In general, the Commission finds that the OWN service is focused on "enhancement programming" that does not provide basic adult education, job development skills or professional development, as contemplated by the nature of service definition. As such, the service is only fulfilling part of its mandate.

34. The Commission also notes that OWN shares some programming with W Network, a service that offers information and entertainment programming of particular interest to women and that is also owned by Corus. Specifically, OWN and W Network both explore themes of beauty and style, relationships, money, food and health and offer similar programs. Such programs do not generally relate to OWN's nature of service. In this respect, the Commission notes that the principle objective of nature of service definitions is to ensure that services remain in their niche and do not become directly competitive with other Category A services. They are also designed to ensure program diversity. While OWN does not brand itself as a service intended for women, its programming schedule and programming strategy indicate that it operates within this genre, which would arguably make it similar to and possibly competitive with W Network. This decreases programming diversity in the system and puts into question their Category A licence.
35. As part of its final written submission, Corus proposed several changes to the nature of service definition for OWN. The Commission notes that Corus submitted these amendments at the conclusion of the process, when interveners no longer had the opportunity to comment. In its final written submission, Corus acknowledged that the suggested changes might require further Commission process. Accordingly, the Commission notes that while Corus may apply to the Commission to seek approval of the suggested changes as part of a separate process, it would be procedurally unfair to consider such amendments at this time.
36. In light of the above, the Commission finds that OWN has not complied with its nature of service definition. The Commission therefore directs the licensee to file a report by no later than **1 March 2012** detailing the measures it has taken to bring the service into compliance with its nature of service. Alternatively, the Commission expects the licensee to surrender its Category A licence and apply for a new Category C licence or submit another appropriate proposal by the same date.
37. The Commission reminds the licensee that it will monitor OWN's programming closely over this six-month period, after which it will review the licensee's performance. The Commission notes that it intends to consider recourse to additional measures, including but not limited to a mandatory order hearing, if the licensee



continues to operate its service in non-compliance with its nature of service or other conditions of its licence.

#### **Advertising on Treehouse TV and YTV**

38. Treehouse TV and YTV are currently subject to unique restrictions with respect to advertising. For instance, Treehouse TV may not distribute more than two minutes of advertising material during each clock hour between 6 a.m. and 9 p.m. and any paid advertising material distributed during the same time period may be no longer than 15 seconds. YTV may not distribute any commercial messages during programs that target an audience up to 5 years of age.
39. In its application, Corus requested that these conditions of licence be replaced by the standard conditions of licence on advertising for specialty services, which would allow the services to increase the amount of advertising broadcast up to 12 minutes of advertising per hour and no longer limit advertising in programming for children.
40. The Commission notes that the current conditions of licence have been in place since these services were licensed, at which time the licensees committed to provide commercial-free programming for children. The Commission further notes that the services are very profitable under the current conditions of licence. The Commission is of the view that the services should continue to uphold their commitment to commercial-free children's programming and that maintaining the current conditions would not limit the services' ability to contribute to the Canadian broadcasting system. Accordingly, the services will remain subject to the current conditions of licence related to advertising.

#### **Licence amendments for YTV**

41. Corus proposed several amendments to YTV's nature of service. In particular, Corus proposed to define the service as follows:

The licensee shall provide a national, English-language specialty programming service targeted to children, youth and their families. In each broadcast year, a minimum of 78% of the programming distributed on the service shall have as its target audience children & youth up to 17 years of age, and a maximum of 22% shall have as its target audience families. In each broadcast year, a maximum of 15% of the programming distributed on the service shall have as its target audience children up to 6 years of age.

42. In Corus's view, this change would allow the service to move away from preschool programming to focus more on youth up to 17 years of age, as the preschool audience is well served by services such as Treehouse TV.
43. The Commission agrees that this change would provide the service with more programming flexibility and that it remains consistent with the nature of the service. Accordingly, the Commission has amended YTV's nature of service to reflect this new definition.

44. Corus also requested the deletion of the condition of licence requiring YTV to devote all its programs from the drama category in the evening broadcast period to programs of particular interest to children, youth and their families through the use of a protagonist, such as an animated character, superhero, animal, child or youth, who is developed with children, youth or families in mind. In addition, Corus requested the deletion of the condition of licence requiring that programming distributed by the licensee with families as the target audience not be drawn from the following categories: 1 News, 2(a) Analysis and interpretation, 6(a) Professional sports, 6(b) Amateur sports and 8(b) Music video clips.
45. The Commission notes that because youth and families represent a wide audience and a theme that is open to interpretation, both of the above-noted conditions of licence are sufficiently broad to give the licensee considerable flexibility while still ensuring that the service continues to operate in a manner consistent with its nature of service. Accordingly, the Commission has retained these conditions.
46. The Commission notes that YTV will be permitted to draw its programming from all the program categories set out in item 6 of Schedule I to the *Specialty Services Regulations, 1990* and will continue to be subject to a 5% limit on the broadcast of music video clips (category 8(b)) and a 10% limit on the broadcast of feature films (category 7(d)).

#### **Annual reporting on tangible benefits**

47. In Broadcasting Decision 2008-206, the Commission approved an application for authorization to effect a transaction as a result of which effective control of CLT (now OWN) would be exercised by Corus. In Broadcasting Decision 2009-706, the Commission approved an application by corporations wholly owned and controlled by Corus for authorization to acquire the assets of Sex TV: The Channel (now W Movies) and Drive-In Classics Channel (now Sundance Channel). As part of its applications, Corus proposed tangible benefits packages consistent with the Commission's tangible benefits policy, as set out in Public Notice 1999-97. The tangible benefits packages are described in full in the above-mentioned decisions. The Commission expects Corus to honour its commitment to pay the remaining tangible benefits flowing from these transactions. The Commission also expects Corus to file tangible benefits reports separately from its annual returns. These tangible benefits reports will be made available to the public on the Commission's website under "Broadcasting Sector" and "Annual/monthly reports filed by broadcasting industry players." The Commission directs Corus to file its tangible benefits annual reports for the 2007-2008 and 2008-2009 broadcast years **by no later than 26 August 2011**. For subsequent broadcast years, tangible benefits annual reports must be filed by 30 November of each year.

## Secretary General

### Related documents

- *Standard conditions of licence, expectations and encouragements for specialty and pay television Category A services*, Broadcasting Regulatory Policy CRTC 2011-443, 27 July 2011
- *Standard conditions of licence, expectations and encouragements for conventional television stations*, Broadcasting Regulatory Policy CRTC 2011-442, 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
- *SexTV: The Channel and Drive-In Classics Channel – Acquisition of assets*, Broadcasting Decision CRTC 2009-706, 19 November 2009
- *Accessibility of telecommunications and broadcasting services*, Broadcasting and Telecom Regulatory Policy CRTC 2009-430, 21 July 2009
- *Regulatory frameworks for broadcasting distribution undertakings and discretionary programming services – Regulatory Policy*, Broadcasting Public Notice CRTC 2008-100, 30 October 2008
- *Change in effective control*, Broadcasting Decision CRTC 2008-206, 22 August 2008
- *Building on success – A policy framework for Canadian Television*, Public Notice CRTC 1999-97, 11 June 1999
- *Canadian Learning Television – Approved*, Decision CRTC 96-600, 4 September 1996

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

## Appendix 1 to Broadcasting Decision CRTC 2011-446

### Services renewed in this decision

<b>Services that contribute to the group CPE and PNI expenditures</b>			
<b>591987 B.C. Ltd.</b> <i>Application 2010-1350-8</i> <b>Conventional television stations</b>			
Province	Call sign / Location		
Ontario	CKWS-DT-1 Brighton		
	CKWS-TV Kingston and its transmitter CKWS-TV-3 Smiths Falls		
	CHEX-TV-2 Oshawa and its transmitter CHEX-TV-1 Bancroft		
	CHEX-TV Peterborough		
	CKWS-TV-2 Prescott		
<b>Specialty and pay television services</b>			
Type of service	Name of service	Licensee	Application
Category A specialty	Country Music Television	Country Music Television Ltd.	2010-1349-0
	OWN: The Oprah Winfrey Network	OWN Inc.	2010-1347-4
	Treehouse TV	YTV Canada, Inc.	2010-1345-8
	W Network	W Network Inc.	2010-1346-6
	YTV*	YTV Canada, Inc.	2010-1344-0
Pay television Category A	Encore Avenue	Encore Avenue Ltd.	2010-1310-2
	Movie Central	Movie Central Ltd.	2010-1309-4
Category B specialty with more than 1 million subscribers	Cosmopolitan TV*	Cosmopolitan Television Canada Company	2010-1321-8
	Dusk	3924181 Canada Inc.	2010-1351-5
	Nickelodeon*	4537459 Canada Inc.	2010-1315-1
	Sundance Channel	7202342 Canada Inc.	2010-1342-2
	W Movies	7202377 Canada Inc.	2010-1342-4

<b>Services that do not contribute to the group CPE and PNI expenditures</b>			
Ethnic specialty Category A	Telelatino	Telelatino Network Inc.	2010-1348-2
Ethnic specialty Category B	Sky TG24	Telelatino Network Inc.	2010-1331-7

\*The current licence under which this service operates will not expire by 31 August 2011. At the request of the licensee, the current licence will be revoked and a new licence issued, effective 1 September 2011.

## Appendix 2 to Broadcasting Decision CRTC 2011-446

591987 B.C. Ltd.

Application 2010-1350-8, received 1 November 2010

### Conditions of licence applicable to all conventional television stations

1. The licensee shall adhere to the standard conditions of licence for conventional television stations set out in *Standard conditions of licence, expectations and encouragements for conventional television stations*, Broadcasting Regulatory Policy CRTC 2011-442, 27 July 2011, except for condition 8, which is replaced by the following:
  - The licensee shall provide described video for a minimum of four hours per broadcast week, of which two hours must be broadcast in described video for the first time on the service. The minimum four hours of described video may be drawn from the following categories, as set out in set out in item 6 of Schedule I to the *Television Broadcasting Regulations, 1987: 2(b)* Long-form documentary, 7 Drama and comedy, 9 Variety and 11 General entertainment and human interest, as well as programming targeted to children. However, this condition of licence will be suspended as long as the licensee is an affiliate of the Canadian Broadcasting Corporation (CBC) and passes through any programming received from the CBC with described video.
2. Except as provided for in conditions 3, 4 and 8 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 28% of
  - a) in the first broadcast year of the licence term, the average of the previous three years' gross revenues of all conventional television stations from the "Corus group";
  - b) in each subsequent broadcast year of the licence term, the previous year's gross revenues of all conventional television stations from the "Corus group."
3. The licensee may count expenditures made for the acquisition of or investment in Canadian programming by one or more conventional television stations from the "Corus group" in the same broadcast year towards fulfilling the requirement in condition 2.
4. The licensee may count expenditures made for the acquisition of or investment in Canadian programming by one or more specialty or pay television services from the "Corus group" in the same broadcast year towards fulfilling a combined maximum of 25% of the requirement in condition 2 as long as these expenditures are not used by those specialty or pay television services towards fulfilling their own Canadian programming expenditure requirement.

5. Except as provided for in conditions 6, 7 and 8 and in accordance with *A group-based approach to the licensing of private television services*, Broadcasting Regulatory Policy CRTC 2010-167, 22 March 2010 (Broadcasting Regulatory Policy 2010-167), the licensee shall in each broadcast year devote to the acquisition of or investment in programs of national interest, as defined in paragraphs 71 to 73 of Broadcasting Regulatory Policy 2010-167, 9% of
  - a) in the first broadcast year of the licence term, the average of the previous three years' gross revenues of all specialty services, pay television services and conventional television services from the "Corus group";
  - b) in each subsequent broadcast year of the licence term, the previous year's gross revenues of all specialty services, pay television services and conventional television stations from the "Corus group."
6. The licensee may count expenditures made for the acquisition of or investment in programs of national interest by one or more conventional television stations, pay television services or specialty services from the "Corus group" in the same broadcast year towards fulfilling the requirement in condition 5 as long as these expenditures are not used by those pay television services, specialty services or conventional television stations towards fulfilling their own programs of national interest requirements.
7. At least 75% of the expenditures in condition 5 must be made to an independent production company. For the purposes of this condition, 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.
8. (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 2 and 5 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 2 and 5, 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, at a minimum, the total of the minimum required expenditures calculated in accordance with conditions 2 and 5.

9. “Specialty services” in conditions 4 to 6 excludes mainstream sports and news services and specialty Category B services with less than 1 million subscribers
10. The licensee shall adhere to a terms of trade agreement with the Canadian Media Production Association.

**Additional condition of licence for CKWS-DT-1 Brighton**

11. The licensee may broadcast a maximum of 6.5% of the commercial availabilities on the Brighton station separately from those broadcast on CKWS-TV Kingston for each hour of original station-produced programming it broadcasts exclusively on its Brighton station each week.

**Additional condition of licence for CHEX-TV-2 Oshawa**

12. The licensee may broadcast a maximum of 6.5% of the commercial availabilities on the Oshawa station separately from those broadcast on CHEX-TV Peterborough for each hour of original, station-produced programming it broadcasts exclusively on its Oshawa station each week.



## Appendix 3 to Broadcasting Decision CRTC 2011-446

**Country Music Television Ltd.**

*Application 2010-1349-0, received 1 November 2010*

### **Conditions of licence for the specialty Category A service Country Music Television**

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 English-language specialty Category A service with programming focused on country and country-oriented music.  
  
(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) No less than 50% of all programming broadcast by the licensee shall be drawn from category 8(b) Music video clips.  
  
(e) No more than 15% of the programming broadcast during any broadcast week shall be drawn from category 7 Drama and comedy.  
  
(f) No feature films shall be broadcast except those in which:
  - (i) a country music artist is the key subject of the film or
  - (ii) a country music artist is cast in a key performing role.
3. (a) With the exception of programs drawn from categories 8(b) Music video clips and 8(c) Music video programs, 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 exhibition of Canadian programs.  
  
(b) No less than 40% of all music videos (category 8(b)) broadcast by the licensee during the broadcast year shall be Canadian music videos, whether aired as part of videoflow or packaged in other types of 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 20% 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, specialty services or conventional television stations from the "Corus 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, specialty services or conventional television stations 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 (Broadcasting Regulatory Policy 2010-167), the licensee shall in each broadcast year devote to the acquisition of or investment in programs of national interest, as defined in paragraphs 71 to 73 of Broadcasting Regulatory Policy 2010-167, 9% of
  - a) in the first broadcast year of the licence term, the average of the previous three years' gross revenues of all specialty services, pay television services and conventional television stations from the "Corus group";
  - b) in each subsequent broadcast year of the licence term, the previous year's gross revenues of all specialty services, pay television services and conventional television stations from the "Corus 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, specialty services or conventional television stations from the "Corus 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, specialty services or conventional television stations towards fulfilling their own programs of national interest requirements.
8. At least 75% of the expenditures in condition 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. “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.
12. In each broadcast year, the licensee shall allocate no less than 11% of the previous year’s gross revenue to the development and production of Canadian country music videos.
13. In addition to the 12 minutes of advertising material authorized by condition of licence, the licensee may broadcast such additional minutes of advertising material calculated in accordance with *Incentives for English-language Canadian television drama*, Broadcasting Public Notice CRTC [2004-93](#), 29 November 2004, as may be amended from time to time.
14. The licensee shall adhere to a terms of trade agreement with the Canadian Media Production Association.

### **Definitions**

For the purpose of these conditions, the terms “broadcast day,” “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*.

The term “broadcast week” shall have the same meaning as that set out in the *Radio Regulations, 1986*.

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 2011-446

OWN Inc.

Application 2010-1347-4, received 1 November 2010

### Conditions of licence and expectation for the specialty Category A service OWN: The Oprah Winfrey Network

#### Conditions of licence

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 English-language specialty Category A service which provides formal and informal educational programming and learning opportunities that generally focus on adult education. Educational programs will come from a full spectrum of basic, credit-based, skills-related and life-enhancing programs, many of which will be undertaken in cooperation with colleges, universities and training institutions.

(b) The programming must be drawn exclusively from the following categories, as set out in item 6 of Schedule I to 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

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) No less than 55% of the programs during the broadcast day shall be drawn from category 5(a) and shall have clear learning objectives.

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 exhibition 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 31% 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, specialty services or conventional television stations from the "Corus 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, specialty services or conventional television undertakings 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 (Broadcasting Regulatory Policy 2010-167), the licensee shall in each broadcast year devote to the acquisition of or investment in programs of national interest, as defined in paragraphs 71 to 73 of Broadcasting Regulatory Policy 2010-167, 9% of
  - a) in the first broadcast year of the licence term, the average of the previous three years' gross revenues of all specialty services, pay television services and conventional television stations from the "Corus group";
  - b) in each subsequent broadcast year of the licence term, the previous year's gross revenues of all specialty services, pay television services and conventional television stations from the "Corus 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, specialty services or conventional television stations from the "Corus 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, specialty services or conventional television stations towards fulfilling their own Canadian programming expenditure requirement.
8. At least 75% of the expenditures in condition 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. “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.
12. In making the calculations required for the purposes of conditions 4 to 9, the licensee shall use only the accrual method of accounting. 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 2015. A reconciliation must be included with the annual return for each of the first three years of the licence term detailing the amount of Canadian programming expenditures incurred under the accrual method and reconciling this amount with that incurred under the cash method.
13. (a) The licensee shall allocate, subject to the demand that will warrant this level of expenditure, a minimum of \$1 million to its script and concept development funding initiative over a seven-year period to assist in the purchase of underlying rights, the creation of scripts, bibles, outlines and treatments of Canadian programming offerings that fit within categories 5(a) Formal education and pre-school and 5(b) Informal education/Recreation and leisure. In the event the demand does not warrant a minimum \$1 million allocation to this initiative, the licensee shall reallocate the unallocated funds to the licence fee contribution funding stream included in the benefits package approved in *Change in effective control*, Broadcasting Decision CRTC [2008-206](#), 22 August 2008.
 

(b) The licensee may not include any expenditure related to programming that has been funded out of the benefits package approved by the Commission with respect to the licensee’s acquisition of effective control of OWN (formerly VIVA and Canadian Learning Television) for the purpose of fulfilling the Canadian programming expenditure requirements specified in conditions 4 to 9 above.
14. The licensee shall adhere to a terms of trade agreement with the Canadian Media Production Association.

## **Expectation**

The Commission expects the licensee to ensure that a minimum of 75% of all original, first-run Canadian programming is acquired from independent production companies.

## **Definitions**

For the purpose of these conditions, the terms “broadcast day,” “broadcast year” 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 2011-446

YTV Canada, Inc.

Application 2010-1345-8, received 1 November 2010

### Conditions of licence and expectation for the specialty Category A service Treehouse TV

#### Conditions of licence

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, except condition 8, which is replaced by condition 13 below.
2. (a) The licensee shall provide a national English-language specialty Category A service.
  - (b) All programs broadcast between 6 a.m. and 9 p.m. shall have as their target audience children up to six years of age.
  - (c) The licensee may draw programming from all the categories set out in item 6 of Schedule I to the *Specialty Services Regulations, 1990*, as amended from time to time.
  - (d) The licensee shall not devote more than 10% of the broadcast month to programs drawn from each of categories 2(b) Long-form documentary and 6(a) Professional sports.
  - (e) A minimum of 80% of the programs broadcast between 9 p.m. and 6 a.m. that are drawn from category 7 Drama and comedy and that have parents, families and caregivers as their target audience shall be copyrighted at least 10 years prior to the broadcast year in which they are broadcast by the licensee.
  - (f) No more than 10% of the programs broadcast between 9 p.m. and 6 a.m. shall be drawn from category 8 (Music) programming that targets an audience other than preschoolers.
3. In each broadcast year, the licensee shall devote no less than 70% of the broadcast day and no less than 60% of the evening broadcast period to the exhibition 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 31% 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, specialty services or conventional television stations from the "Corus 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, specialty services or conventional television undertakings 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 (Broadcasting Regulatory Policy 2010-167), the licensee shall in each broadcast year devote to the acquisition of or investment in programs of national interest, as defined in paragraphs 71 to 73 of Broadcasting Regulatory Policy 2010-167, 9% of
    - a) in the first broadcast year of the licence term, the average of the previous three years' gross revenues of all specialty services, pay television services and conventional television stations from the "Corus group";
    - b) in each subsequent broadcast year of the licence term, the previous year's gross revenues of all specialty services, pay television services and conventional television stations from the "Corus 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, specialty services or conventional television stations from the "Corus 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, specialty services or conventional television stations towards fulfilling their own Canadian programming expenditure requirement.
  8. At least 75% of the expenditures in condition 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. "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.
12. In any broadcast month, no more than 10% of the programs broadcast by the licensee shall be broadcast by the specialty service YTV.
13. (a) Subject to subsection (c), the licensee shall not distribute more than two minutes of advertising material during each clock hour between 6 a.m. and 9 p.m.
 

(b) Subject to subsection (c), the licensee shall not distribute more than 12 minutes of advertising material during each clock hour between 9 p.m. and midnight.

(c) Where a program occupies time in two or more consecutive clock hours, the licensee may exceed the maximum number of minutes of advertising material allowed in those clock hours if the average number of minutes of advertising material in the clock hours occupied by the program does not exceed the maximum number of minutes that would otherwise be allowed per clock hour.

(d) The licensee shall not distribute any paid advertising material other than paid national advertising.

(e) The licensee shall not distribute any paid advertising material longer than 15 seconds in duration between 6 a.m. and 9 p.m.

(f) All advertising material distributed by the licensee between 6 a.m. and 9 p.m. shall conform to the following definition of restricted advertising originally set out in Public Notice CRTC 1992-38:

The Commission will permit simple statements of sponsorship that identify the sponsors of a program or of the station. Such statements may incorporate the names of the sponsor, the business address, hours of business and a brief general description of the types of services or products that the sponsor provides, including the price, name and brand name of the product. Such statements must

not contain references to convenience, durability or desirability or contain other comparative or competitive reference.

(g) In addition to the 12 minutes of advertising material during any clock hour in a broadcast day permitted by condition of licence, the licensee may broadcast such additional minutes of advertising material calculated in accordance with *Incentives for English-language Canadian television drama*, Broadcasting Public Notice CRTC 2004-93, 29 November 2004, as may be amended from time to time.

14. The licensee shall adhere to a terms of trade agreement with the Canadian Media Production Association.

### **Expectation**

The Commission expects the licensee to ensure that a minimum of 75% of all original, first-run Canadian programming is acquired from independent production companies.

### **Definitions**

For the purpose of these conditions, the terms “broadcast day,” “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*.

The term “broadcast week” shall have the same meaning as that set out in the *Radio Regulations, 1986*.

The term “paid national advertising” shall mean advertising material as defined in the *Specialty Services Regulations, 1990* and that is purchased at a national rate and receives national distribution.

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 2011-446

**W Network Inc.**

*Application 2010-1346-6, received 1 November 2010*

### Conditions of licence for the specialty Category A service W Network

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 will provide a national specialty Category A service which will deliver information and entertainment programming of particular interest to women.  
  
(b) The licensee may draw programming from all the categories set out in item 6 of Schedule I to the *Specialty Services Regulations, 1990*, as amended from time to time.  
  
(c) The licensee shall devote no more than 10% of the broadcast month to programming drawn from category 6(a) Professional sports, as well as 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 70% of the broadcast day and no less than 60% of the evening broadcast period to the exhibition 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 31% 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, specialty services or conventional television stations from the "Corus 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, specialty services or conventional television undertakings 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 (Broadcasting Regulatory Policy 2010-167),

the licensee shall in each broadcast year devote to the acquisition of or investment in programs of national interest, as defined in paragraphs 71 to 73 of Broadcasting Regulatory Policy 2010-167, 9% of

- a) in the first broadcast year of the licence term, the average of the previous three years' gross revenues of all specialty, pay and conventional television undertakings from the "Corus group";
  - b) in each subsequent broadcast year of the licence term, the previous year's gross revenues of all specialty, pay and conventional television undertakings from the "Corus 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, specialty services or conventional television stations from the "Corus 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, specialty services or conventional television stations towards fulfilling their own Canadian programming expenditure requirement.
8. At least 75% of the expenditures in condition 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. "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.

12. In making the calculations required for the purposes of conditions 4 to 9, the licensee shall use only the accrual method of accounting. 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 2015. A reconciliation must be included with the annual return for each of the first three years of the licence term detailing the amount of Canadian programming expenditures incurred under the accrual method and reconciling this amount with that incurred under the cash method.
13. In addition to the 12 minutes of advertising material authorized by condition of licence, the licensee may broadcast such additional minutes of advertising material calculated in accordance with *Incentives for English-language Canadian television drama*, Broadcasting Public Notice CRTC 2004-93, 29 November 2004, as may be amended from time to time.
14. The licensee shall adhere to a terms of trade agreement with the Canadian Media Production Association.

**Definitions**

For the purpose of these conditions, the terms “broadcast day,” “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 2011-446

YTV Canada, Inc.

Application 2010-1344-0, received 1 November 2010

### Conditions of licence and expectation for the specialty Category A service YTV

#### Conditions of licence

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 8, which is replaced by condition 14 below.
2.
  - (a) The licensee shall provide a national English-language specialty Category A service targeted to children, youth and their families. In each broadcast year, a minimum of 78% of the programming distributed on the service shall have as its target audience children and youth up to 17 years of age, and a maximum of 22% shall have as its target audience families. In each broadcast year, a maximum of 15% of the programming distributed on the service shall have as its target audience children up to 6 years of age.
  - (b) The licensee may draw programming from all the categories set out in item 6 of Schedule I to the *Specialty Services Regulations, 1990*, as amended from time to time.
  - (c) The licensee shall devote 100% of the programs in the drama category distributed in the evening broadcast period to programs of particular interest to children, youth and their families through the use of a protagonist that is developed with children, youth or families in mind, examples of which would include an animated character, super hero, animal, child or youth.
  - (d) Programming distributed by the licensee with families as the target audience shall not include programs from the following categories set out in item 6 of Schedule I of the *Specialty Services Regulations, 1990*: News (category 1), Analysis and interpretation (category 2(a)), Sports (category 6) or Music video clips (category 8(b)).
  - (e) The licensee shall devote no more than 5% of the broadcast year to Music video clips (category 8(b)).
  - (f) The licensee shall devote no more than 10% of the broadcast year to feature films (category 7(d)).
3. In each broadcast year, the licensee shall devote no less than 60% of both the broadcast day and the evening broadcast period to the exhibition 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 31% 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, specialty services or conventional television stations from the "Corus group" in the same broadcast year towards fulfilling the requirement in condition 5 as long as these expenditures are not used by those pay television services, specialty services or conventional television stations 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 (Broadcasting Regulatory Policy 2010-167), the licensee shall in each broadcast year devote to the acquisition of or investment in programs of national interest, as defined in paragraphs 71 to 73 of Broadcasting Regulatory Policy 2010-167, 9% of
  - a) in the first broadcast year of the licence term, the average of the previous three years' gross revenues of all specialty, services pay television services and conventional television stations from the "Corus group";
  - b) in each subsequent broadcast year of the licence term, the previous year's gross revenues of all specialty services, pay television services and conventional television stations from the "Corus 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, specialty services or conventional television stations from the "Corus 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, specialty services or conventional television stations towards fulfilling their own Canadian programming expenditure requirement.
8. At least 75% of the expenditures in condition 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. "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.
12. In making the calculations required for the purposes of conditions 4 to 9, the licensee shall use only the accrual method of accounting. 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 2015. A reconciliation must be included with the annual return for each of the first three years of the licence term detailing the amount of Canadian programming expenditures incurred under the accrual method and reconciling this amount with that incurred under the cash method.
13. In each broadcast year, the programming distributed by the licensee shall include a minimum of 90 hours of original, first-run Canadian programs that have been acquired from an independent production company by YTV, either through co-production or licensing arrangements.
14. (a) Subject to subsection (b) and (c), the licensee shall not distribute more than 12 minutes of advertising material during each clock hour.
  - (b) In addition to the maximum of 12 minutes of advertising material referred to in subsection (a), the licensee may distribute during each clock hour a maximum of 30 seconds of advertising material that consists of unpaid public service announcements.
  - (c) The licensee shall not distribute commercial messages during any program that has as its target audience children up to 5 years of age.

(d) The licensee shall not distribute any advertising material other than national advertising.

(e) In addition to the 12 minutes of advertising material during any clock hour in a broadcast day permitted by condition of licence, the licensee may broadcast such additional minutes of advertising material calculated in accordance with *Incentives for English-language Canadian television drama*, Broadcasting Public Notice CRTC [2004-93](#), 29 November 2004, as may be amended from time to time.

15. The licensee shall adhere to a terms of trade agreement with the Canadian Media Production Association.

### **Expectation**

The Commission expects the licensee to ensure that a minimum of 75% of all original, first-run Canadian programming is acquired from independent production companies.

### **Definitions**

For the purpose of these conditions, the terms “broadcast day,” “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*.

The term “broadcast week” shall have the same meaning as that set out in the *Radio Regulations, 1986*.

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 2011-446

Encore Avenue Ltd.

Application [2010-1310-2](#), received 1 November 2010

### Conditions of licence and expectation for the pay television Category A service Encore Avenue

#### Conditions of licence

1. The licensee shall adhere to the standard conditions of licences 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, except for condition 4(a), which is replaced by condition 15 below.
2. (a) The licensee shall provide a regional English-language general interest pay television Category A service in British Columbia, Alberta, Saskatchewan, Manitoba, Nunavut, the Yukon Territory and the Northwest Territories.

(b) The service shall consist of:

- Ongoing dramatic series (subcategory 7(a)) copyrighted at least five years prior to the year in which they are distributed by the service;
- Ongoing comedic series (sitcoms) (subcategory 7(b)) copyrighted at least five years prior to the year in which they are distributed by the service;
- Made-for-television feature films (subcategory 7(c)) copyrighted at least five years prior to the year in which they are distributed by the service;
- Theatrical feature films aired on television (subcategory 7(d)) copyrighted at least three years prior to the year in which they are distributed by the service;
- Public service announcements (category 13); and
- Filler programming (category 15).

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.

These subcategories are contained in item 6 to Schedule I of the *Pay Television Regulations, 1990*.

- (c) The licensee shall ensure that no more than 15% of all programming broadcast during the broadcast year is drawn from subcategories 7(a) and 7(b) combined.

3. During each semester of the licence term, the licensee shall devote to the exhibition of Canadian programming no less than:
  - (a) 20% of the time from 6 p.m. to 11 p.m. (Mountain Time) and
  - (b) 20% of the remainder of the time during which the service is in operation.
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 31% 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, specialty services or conventional television stations from the "Corus 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, specialty services or conventional television stations 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 (Broadcasting Regulatory Policy 2010-167), the licensee shall in each broadcast year devote to the acquisition of or investment in programs of national interest, as defined in paragraphs 71 to 73 of Broadcasting Regulatory Policy 2010-167, 9% of
  - a) in the first broadcast year of the licence term, the average of the previous three years' gross revenues of all specialty services, pay television services and conventional television stations from the "Corus group";
  - b) in each subsequent broadcast year of the licence term, the previous year's gross revenues of all specialty services, pay television services and conventional television stations from the "Corus 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, specialty services or conventional television stations from the "Corus 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, specialty services or conventional television stations towards fulfilling their own Canadian programming expenditure requirement.

8. At least 75% of the expenditures in condition 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. "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.
12. In making the calculations required for the purposes of conditions 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 2015. A reconciliation must be included with the annual return for each of the first three years of the licence term detailing the amount of Canadian programming expenditures incurred under the accrual method and reconciling this amount with that incurred under the cash method.
13. The licensee may exhibit programming that has been produced by the licensee or by a person related to it, provided that in each year, the amount of such programming, exclusive of filler programming, does not exceed 25% of its overall Canadian programming schedule.
14. In each year, the amount spent by the licensee on programming that has been produced by it or by a related party, exclusive of filler programming, shall not exceed 25% of its annual expenditures on Canadian programming.

15. Except as authorized in *Encore Avenue - Distribution authorization*, Broadcasting Decision CRTC 2007-411, 30 November 2007, the licensee shall offer its multiplexed channels only together in a package.
16. The licensee shall adhere to a terms of trade agreement with the Canadian Media Production Association.

### **Expectation**

The Commission expects the licensee to continue to license all Canadian films that are appropriate for the service.

### **Definitions**

For the purposes of these conditions, the term “broadcast year” shall have the same meaning as that 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.

“Revenue” means revenue from residential and bulk cable, single master antenna television and direct-to-home satellite subscribers, as well as any return on an investment in programming.

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

## Appendix 9 to Broadcasting Decision CRTC 2011-446

Movie Central Ltd.

Application 2010-1309-4, received 1 November 2010

### Conditions of licence and expectation for the pay television Category A service Movie Central

#### Conditions of licence

1. The licensee shall adhere to the standard conditions of licences 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 British Columbia, Alberta, Saskatchewan, Manitoba, the Yukon Territory, the Northwest Territories and Nunavut, with programming intended for all audiences.  
  
(b) The licensee shall distribute programming from all categories of programming set out in item 6 of Schedule I to the *Pay Television Regulations, 1990*, with the exception of programming from categories 1 News, 4 Religion, 5(a) Formal education and pre-school, 5(b) Informal education/recreation and leisure and 14 Infomercials, promotional and corporate videos.  
  
(c) The licensee shall not devote more than 5% of its programming schedule during each semester to programming from category 6 (Sports), with a maximum of 20 hours in any week.  
  
(d) The licensee shall devote at least 50% of its programming schedule during each semester to dramatic programs.  
  
(e) In each broadcast year, the licensee shall devote to the distribution of Canadian dramatic programs no less than 50% of the time that it is required to devote to the distribution of Canadian programs pursuant to condition of licence 3.
3. In each semester of the licence term, the licensee shall devote to the distribution of Canadian programs no less than:
  - (a) 30% of the time from 6 p.m. to 11 p.m. (Mountain time) and
  - (b) 25% of the remainder of the time during which the service is in operation.

For the purpose of this condition, a 150% credit will be given for time during which the licensee distributes a new Canadian production that commences between 6 p.m. and 11 p.m. (Mountain 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 31% 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, specialty services or conventional television stations from the "Corus 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, specialty services or conventional television stations 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 (Broadcasting Regulatory Policy 2010-167), the licensee shall in each broadcast year devote to the acquisition of or investment in programs of national interest, as defined in paragraphs 71 to 73 of Broadcasting Regulatory Policy 2010-167, 9% of
    - a) in the first broadcast year of the licence term, the average of the previous three years' gross revenues of all specialty services, pay television services and conventional television stations from the "Corus group";
    - b) in each subsequent broadcast year of the licence term, the previous year's gross revenues of all specialty services, pay television services and conventional television stations from the "Corus 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, specialty services or conventional television undertakings from the "Corus 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, specialty services or conventional television stations towards fulfilling their own Canadian programming expenditure requirement.
  8. At least 75% of the expenditures in condition 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. "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.
12. In making the calculations required for the purposes of conditions 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 2015. A reconciliation must be included with the annual return for each of the first three years of the licence term detailing the amount of Canadian programming expenditures incurred under the accrual method and reconciling this amount with that incurred under the cash method.
13. The licensee shall adhere to a terms of trade agreement with the Canadian Media Production Association.

### **Expectation**

The Commission expects the licensee to continue to license all Canadian films that are appropriate for the service.

## Definitions

For the purpose of these conditions, the term “broadcast year” shall have the same meaning as that 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.

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.

“Revenue” means revenue from residential and bulk cable, single master antenna television and direct-to-home satellite subscribers as well as any return on an investment in programming.

“Semester” means each six-month period beginning on 1 September and on 1 March.

## Appendix 10 to Broadcasting Decision CRTC 2011-446

**Cosmopolitan Television Canada Company**

*Application 2010-1321-8, received 1 November 2010*

### Conditions of licence for the specialty Category B service Cosmopolitan TV

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 English-language specialty Category B service devoted to programming related to relationships, lifestyle, beauty, trends and style. The service shall focus on the interests and needs of young working women aged between 18 and 34 years.

(b) The programming shall be drawn exclusively from the following categories set out in item 6 of Schedule I to the *Specialty Services Regulations, 1990*, as amended from time to time:

2 (b) Long-form documentary

5 (b) Informal education/Recreation and leisure

7 Drama and comedy

7 (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

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) No more than 15% of the programming broadcast in each broadcast year shall be drawn from any one of the following program categories: 2(b), 7(e), 8(a), 8(b) and 10.

(d) No more than 25% of the programming broadcast in each broadcast year shall be drawn from category 7(d).

(e) No more than 15% of the programming drawn from categories 11(a) and 11(b) combined during each broadcast year shall be devoted to programs that are primarily about the world of entertainment and its people, including celebrity profiles.

(f) No more than 15% of the programming broadcast during the broadcast year shall be drawn from any one of the following programming genres: fashion, health and wellness, travel, food and home and garden.

(g) All programming shall be directed to women aged between 18 and 34 years.

3. Except as provided for in conditions 4 and 8 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 16% 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.
4. The licensee may count expenditures made for the acquisition of or investment in Canadian programming by one or more pay, specialty or conventional television undertakings from the "Corus group" in the same broadcast year towards fulfilling the requirement in condition 3 as long as these expenditures are not used by those pay, specialty or conventional television undertakings towards fulfilling their own Canadian programming expenditure requirement.
5. Except as provided in conditions 6, 7 and 8 and in accordance with *A group-based approach to the licensing of private television services*, Broadcasting Regulatory Policy CRTC 2010-167, 22 March 2010 (Broadcasting Regulatory Policy 2010-167), the licensee shall in each broadcast year devote to the acquisition of or investment in programs of national interest, as defined in paragraphs 71 to 73 of Broadcasting Regulatory Policy 2010-167, 9% of
  - a) in the first broadcast year of the licence term, the average of the previous three years' gross revenues of all specialty services, pay television services and conventional television stations from the "Corus group";
  - b) in each subsequent broadcast year of the licence term, the previous year's gross revenues of all specialty services, pay television services and conventional television stations from the "Corus group."
6. The licensee may count expenditures made for the acquisition of or investment in programs of national interest by one or more pay television services, specialty services or conventional television stations from the "Corus group" in the same broadcast year towards fulfilling the requirement in condition 5 as long as these expenditures are not used by those pay television services, specialty services or

conventional television stations towards fulfilling their own programs of national interest requirements.

7. At least 75% of the expenditures in condition 5 must be made to an independent production company.
8. (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 3 and 5 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 3 and 5, 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 3 and 5.
9. "Specialty services" in conditions 4 to 6 excludes mainstream sports and news services and specialty Category B services with less than 1 million subscribers.
10. The broadcasting undertaking licensed hereby is designated as a Category B service.
11. The licensee shall adhere to a terms of trade agreement with the Canadian Media Production Association.

### **Definitions**

For the purpose of these conditions, the term "broadcast year" shall have the same meaning as that 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 11 to Broadcasting Decision CRTC 2011-446

3924181 Canada Inc.

Application 2010-1351-5, received 1 November 2010

### Conditions of licence for the specialty Category B service Dusk

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 English-language specialty Category B service designed for Canadian adults 18-49. Programming will consist of horror and thriller movies and series, as well as occasional magazine style shows focusing on the genre. The schedule will cover the entire horror genre, including selections from Classic Horror, Teen Scream, Thrillers and B-movies.

(b) The programming must be drawn exclusively from the following categories, as set out in item 6 of Schedule I to the *Specialty Services Regulations, 1990*, as amended from time to time:

2 (a) Analysis and interpretation

(b) Long-form documentary

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, improvisation, unscripted works, stand-up comedy

(g) Other drama

11(a) General entertainment and human interest

(b) Reality television

12 Interstitials

13 Public service announcements

14 Infomercials, promotional and corporate videos

(c) No more than 25% of all programming broadcast during the broadcast week shall be drawn from the thriller genre.

3. Except as provided for in conditions 4 and 8 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 16% 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.
4. The licensee may count expenditures made for the acquisition of or investment in Canadian programming by one or more pay television services, specialty services or conventional television stations from the "Corus group" in the same broadcast year towards fulfilling the requirement in condition 3 as long as these expenditures are not used by those pay television services, specialty services or conventional television stations towards fulfilling their own Canadian programming expenditure requirement.
5. Except as provided in conditions 6, 7 and 8 and in accordance with *A group-based approach to the licensing of private television services*, Broadcasting Regulatory Policy CRTC 2010-167, 22 March 2010 (Broadcasting Regulatory Policy 2010-167), the licensee shall in each broadcast year devote to the acquisition of or investment in programs of national interest, as defined in paragraphs 71 to 73 of Broadcasting Regulatory Policy 2010-167, 9% of
  - a) in the first broadcast year of the licence term, the average of the previous three years' gross revenues of all specialty services, pay television services and conventional television stations from the "Corus group";
  - b) in each subsequent broadcast year of the licence term, the previous year's gross revenues of all specialty services, pay television services and conventional television stations from the "Corus group."
6. The licensee may count expenditures made for the acquisition of or investment in programs of national interest by one or more pay television services, specialty services or conventional television stations from the "Corus group" in the same broadcast year towards fulfilling the requirement in condition 5 as long as these expenditures are not used by those pay television services, specialty services or conventional television stations towards fulfilling their own programs of national interest requirements.
7. At least 75% of the expenditures in condition 5 must be made to an independent production company.
8. (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 3 and 5, 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 3 and 5, 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 3 and 5.

9. “Specialty services” in conditions 4 to 6 excludes mainstream sports and news services and specialty Category B services with less than 1 million subscribers.
10. The broadcasting undertaking licensed hereby is designated as a Category B service.
11. In addition to the 12 minutes of advertising material during any clock hour in a broadcast day permitted by condition of licence, the licensee may broadcast such additional minutes of advertising material calculated in accordance with *Incentives for English-language Canadian television drama*, Broadcasting Public Notice CRTC 2004-93, 29 November 2004, as may be amended from time to time.
12. The licensee shall adhere to a terms of trade agreement with the Canadian Media Production Association.

### **Definitions**

For the purpose of these conditions, the terms “broadcast day” and “clock hour” shall have the same meanings as those set out in the *Television Broadcasting Regulations, 1987*.

The term “broadcast week” shall have the same meaning as that set out in the *Radio Regulations, 1986*.

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 2011-446

4537459 Canada Inc.

Application 2010-1315-1, received 1 November 2010

### Conditions of licence for the specialty Category B service Nickelodeon

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 English-language specialty Category B service offering programming from around the world targeting children aged 6 to 17 and their families. The schedule will include programs devoted to entertainment, humour, travel, games and science and technology.  
  
(b) The programming shall be drawn exclusively from the following categories set out in item 6 of Schedule I to the *Specialty Services Regulations, 1990*, as amended from time to time:
  - 5 (b) Informal education/Recreation and leisure
  - 6 (b) Amateur sports
  - 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
- (c) The licensee shall devote no more than 15% of all programming broadcast during the broadcast week to programming drawn from category 7(d) and no more than 15% of all programming broadcast during the broadcast week to programming drawn from category 8.

3. Except as provided for in conditions 4 and 8 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 16% 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.
4. The licensee may count expenditures made for the acquisition of or investment in Canadian programming by one or more pay television services, specialty services or conventional television stations from the "Corus group" in the same broadcast year towards fulfilling the requirement in condition 3 as long as these expenditures are not used by those pay television services, specialty services or conventional television stations towards fulfilling their own Canadian programming expenditure requirement.
5. Except as provided in conditions 6, 7 and 8 and in accordance with *A group-based approach to the licensing of private television services*, Broadcasting Regulatory Policy CRTC 2010-167, 22 March 2010 (Broadcasting Regulatory Policy 2010-167), the licensee shall in each broadcast year devote to the acquisition of or investment in programs of national interest, as defined in paragraphs 71 to 73 of Broadcasting Regulatory Policy 2010-167, 9% of
  - a) in the first broadcast year of the licence term, the average of the previous three years' gross revenues of all specialty services, pay television services and conventional television stations from the "Corus group";
  - b) in each subsequent broadcast year of the licence term, the previous year's gross revenues of all specialty services, pay television services and conventional television stations from the "Corus group."
6. The licensee may count expenditures made for the acquisition of or investment in programs of national interest by one or more pay television services, specialty services or conventional television stations from the "Corus group" in the same broadcast year towards fulfilling the requirement in condition 5 as long as these expenditures are not used by those pay television services, specialty services or conventional television stations towards fulfilling their own programs of national interest requirements.
7. At least 75% of the expenditures in condition 5 must be made to an independent production company.
8. (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 3 and 5 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 3 and 5, 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 3 and 5.

9. "Specialty services" in conditions 4 to 6 excludes mainstream sports and news services and specialty Category B services with less than 1 million subscribers.
10. The broadcasting undertaking licensed hereby is designated as a Category B service.
11. The licensee shall adhere to a terms of trade agreement with the Canadian Media Production Association.

#### **Definitions**

For the purpose of these conditions, the term "broadcast day" shall have the same meaning as that set out in the *Television Broadcasting Regulations, 1987*.

The term "broadcast week" shall have the same meaning as that set out in the *Radio Regulations, 1986*.

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 2011-446

7202342 Canada Inc.

Application 2010-1343-2, received 1 November 2010

### Conditions of licence for the specialty Category B service Sundance Channel

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 English-language specialty Category B service devoted to programming for adults 18-49. Programming will consist of Drive-In B movies and series, as well as occasional magazine-style shows focusing on the genre. The schedule will cover the entire drive-in genre, including selections from horror and thriller movies, beach party movies, car chase movies and social issues B-movies (juvenile delinquency, unwed mothers, biker gangs, etc.).  
  
(b) The programming must be drawn exclusively from the following categories set out in item 6 of Schedule I to the *Specialty Services Regulations, 1990*, as amended from time to time:
  - 1 News
  - 2 (a) Analysis and interpretation  
(b) Long-form documentary
  - 5 (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
  - 11(a) General entertainment and human interest  
(b) Reality television
  - 12 Interstitials
  - 13 Public service announcements
  - 14 Infomercials, promotional and corporate videos
- (c) The service shall be devoted to more obscure movie titles that are not offered by other movie services in Canada and will not be competitive with pay TV, pay-per-view or off-pay windows.

- (d) No more than 25% of all programming broadcast during the broadcast week shall be drawn from the thriller genre.
3. Except as provided for in conditions 4 and 8 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 16% 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.
  4. The licensee may count expenditures made for the acquisition of or investment in Canadian programming by one or more pay television services, specialty services or conventional television stations from the "Corus group" in the same broadcast year towards fulfilling the requirement in condition 3 as long as these expenditures are not used by those pay television services, specialty services or conventional television stations towards fulfilling their own Canadian programming expenditure requirement.
  5. Except as provided in conditions 6, 7 and 8 and in accordance with *A group-based approach to the licensing of private television services*, Broadcasting Regulatory Policy CRTC 2010-167, 22 March 2010 (Broadcasting Regulatory Policy 2010-167), the licensee shall in each broadcast year devote to the acquisition of or investment in programs of national interest, as defined in paragraphs 71 to 73 of Broadcasting Regulatory Policy 2010-167, 9% of
    - a) in the first broadcast year of the licence term, the average of the previous three years' gross revenues of all specialty services, pay television services and conventional television stations from the "Corus group";
    - b) in each subsequent broadcast year of the licence term, the previous year's gross revenues of all specialty services, pay television services and conventional television stations from the "Corus group."
  6. The licensee may count expenditures made for the acquisition of or investment in programs of national interest by one or more pay television services, specialty services or conventional television stations from the "Corus group" in the same broadcast year towards fulfilling the requirement in condition 5 as long as these expenditures are not used by those pay television services, specialty services or conventional television stations towards fulfilling their own programs of national interest requirements.
  7. At least 75% of the expenditures in condition 5 must be made to an independent production company.

8. (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 3 and 5 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 3 and 5, 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 3 and 5.
9. "Specialty stations" in conditions 4 to 6 excludes mainstream sports and news services and specialty Category B services with less than 1 million subscribers.
10. The broadcasting undertaking licensed hereby is designated as a Category B service.
11. The licensee shall adhere to a terms of trade agreement with the Canadian Media Production Association.

### **Definitions**

For the purpose of these conditions, the term "broadcast year" shall have the same meaning as that set out in the *Television Broadcasting Regulations, 1987*.

The term "broadcast week" shall have the same meaning as that set out in the *Radio Regulations, 1986*.

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 14 to Broadcasting Decision CRTC 2011-446

7202377 Canada Inc.

Application 2010-1342-4, received 1 November 2010

### Conditions of licence for the specialty Category B service W Movies

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 English-language specialty Category B service devoted exclusively to programming related to love, romance, marriage, relationship-themed game shows, sexuality and gender issues, family planning, relationship breakdown and magazine-style programming featuring romantic vacation resorts.  
  
(b) The programming must be drawn exclusively from the following categories, as set out in item 6 to Schedule I to the *Specialty Services Regulations, 1990*, as amended from time to time:
  - 2 (a) Analysis and interpretation
  - (b) Long-form documentary
  - 3 Reporting and actualities
  - 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
  - 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
3. Except as provided for in conditions 4 and 8 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 16% 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.
4. The licensee may count expenditures made for the acquisition of or investment in Canadian programming by one or more one or more pay television services, specialty services or conventional television stations from the "Corus group" in the same broadcast year towards fulfilling the requirement in condition 3 as long as these expenditures are not used by those pay television services, specialty services or conventional television stations towards fulfilling their own Canadian programming expenditure requirement.
  5. Except as provided in conditions 6, 7 and 8 and in accordance with *A group-based approach to the licensing of private television services*, Broadcasting Regulatory Policy CRTC 2010-167, 22 March 2010 (Broadcasting Regulatory Policy 2010-167), the licensee shall in each broadcast year devote to the acquisition of or investment in programs of national interest, as defined in paragraphs 71 to 73 of Broadcasting Regulatory Policy 2010-167, 9% of
    - a) in the first broadcast year of the licence term, the average of the previous three years' gross revenues of all specialty services, pay television services and conventional television stations from the "Corus group";
    - b) in each subsequent broadcast year of the licence term, the previous year's gross revenues of all specialty services, pay television services and conventional television stations from the "Corus group."
  6. The licensee may count expenditures made for the acquisition of or investment in programs of national interest by one or more pay television services, specialty services or conventional television stations from the "Corus group" in the same broadcast year towards fulfilling the requirement in condition 5 as long as these expenditures are not used by those pay television services, specialty services or conventional television stations towards fulfilling their own programs of national interest requirements.
  7. At least 75% of the expenditures in condition 5 must be made to an independent production company.
  8. (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 3 and 5 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 3 and 5, 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 3 and 5.

9. “Specialty services” in conditions 4 to 6 excludes mainstream sports and news services and specialty Category B services with less than 1 million subscribers.
10. The broadcasting undertaking licensed hereby is designated as a Category B service.
11. The licensee shall adhere to a terms of trade agreement with the Canadian Media Production Association.

#### **Definitions**

For the purpose of these conditions of licence, “broadcast year” shall have the same meaning as that 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 15 to Broadcasting Decision CRTC 2011-446

Telelatino Network Inc.

Application [2010-1348-2](#), received 1 November 2010

### Conditions of licence for the ethnic specialty Category A service Telelatino

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, except for condition 8d), which will not apply, and condition 8a), which is replaced by the following:

Except as otherwise provided in subparagraphs b) and c), the licensee shall not broadcast more than twelve minutes of advertising material during each clock hour, no more than six minutes of which may consist of local advertising.

For the purposes of this condition of licence, “local advertising” is advertising that does not fall within the definitions of national and regional advertising, that is, advertising on behalf of persons who provide goods or services in more than one market and/or province.

2. (a) The licensee shall provide a national ethnic specialty Category A service consisting of programming directed to Italian and Hispanic/Spanish audiences, of which a minimum of 75% will be Italian- or Spanish-language ethnic programs and a maximum of 25% will be English- or French-language ethnic programs.  
  
(b) The licensee shall provide a minimum of 90 hours per week of ethnic programming, of which a maximum of 55% will be directed to Italian audiences and a minimum of 45% will be directed to Hispanic/Spanish audiences.  
  
(c) In each broadcast month, the licensee shall provide a minimum of 25% Hispanic-directed programming during the evening broadcast period.
3. (a) The licensee shall devote no less than 30% of the total hours devoted to all programming during each semester to the exhibition of Canadian programs.  
  
(b) During each semester, the licensee shall devote to the exhibition of Canadian programs no less than 15% of all programming broadcast during the evening broadcast period.
4. a) In each broadcast year, the licensee shall devote 23% of the previous year’s gross revenues of the undertaking to the acquisition of or investment in Canadian programming.  
  
b) In each broadcast year of the licence term, excluding the final year, the licensee may expend an amount on Canadian programming that is up to 5% less than the

minimum required expenditure for that year calculated in accordance with this condition; in such case, the licensee shall expend in the next year of the licence term, in addition to the minimum required expenditure for that year, the full amount of the previous year's under-spending.

c) In any broadcast year of the licence term, including the final year, the licensee may expend an amount on Canadian programming that is greater than the minimum required expenditure for that year calculated in accordance with this condition; in such case, the licensee may deduct:

i. From the minimum required expenditure for the next year of the licence term, an amount not exceeding the amount of the previous year's over-spending; and

ii. From the minimum required expenditure for any subsequent year of the licence term, an amount not exceeding the difference between the over-spending and any amount deducted under paragraph (i) above.

d) Notwithstanding the above, during the licence term, the licensee shall expend on Canadian programming, at a minimum, the total of the minimum required expenditures calculated in accordance with this condition of licence.

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

**Definitions**

For the purpose of these conditions, the terms "broadcast month," "broadcast year," "clock hour," "ethnic program" and "evening broadcast period" shall have the same meanings as those set out in the *Television Broadcasting Regulations, 1987* and "semester" means the six-month period beginning 1 March and 1 September.

## Appendix 16 to Broadcasting Decision CRTC 2011-446

Telelatino Network Inc

Application 2010-1331-7, received 1 November 2010

### Conditions of licence for the ethnic specialty Category B service Sky TG24

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, except for condition 7d), which will not apply, and condition 7a), which is replaced by the following:

Except as otherwise provided in subparagraphs b) and c), the licensee shall not broadcast more than twelve minutes of advertising material during each clock hour, no more than six minutes of which may consist of local advertising.

For the purposes of this condition of licence, “local advertising” is advertising that does not fall within the definitions of national and regional advertising, that is, advertising on behalf of persons who provide goods or services in more than one market and/or province.

2. (a) The licensee shall provide a national ethnic specialty Category B service targeting the Italian community.  
  
(b) The licensee may draw programming from all the categories set out in item 6 to Schedule I to the *Specialty Services Regulations, 1990*, as amended from time to time, with the exception of category 15 Filler programming.  
  
(c) No less than 85% of all programming broadcast during the broadcast week shall be in Italian.
3. The broadcasting undertaking licensed hereby is designated as a Category B service.

#### Definitions

For the purpose of these conditions of licence, the terms “broadcast day” and “clock hour” shall have the same meanings as those set out in the *Television Broadcasting Regulations, 1987*.

The term “broadcast week” shall have the same meaning as that set out in the *Radio Regulations, 1986*.