CANADA MEDIA FUND

Working Group

October 31, 2012

SUBJECT: Convergence Requirements

Convergence has been a core principle of the CMF since its inception. In the announcement of the new Fund in March 2009, the Department of Canadian Heritage (DCH) said:

> Applicants will be required to make their projects available across a minimum of two distribution platforms, including television. This initiative will also foster the development of cutting-edge applications and content to drive innovation back into the mainstream forms of content.

The Contribution Agreement between DCH and the CMF describes the requirement as follows:

> In addition to traditional television programs, funded projects will include digital convergent content ("the non-television module"), i.e. projects with a clear link to a BPE television application that is tied to at least one other digital platform. The content on either platform can be produced simultaneously as equally important or either platform can represent the primary or secondary content. Examples of convergent projects include: Web sites, on-demand content, webisodes, mobisodes, podcasts, interactive content or other digital audio-visual works.

Initially DCH envisioned that all television productions funded by the CMF would be required to have a sufficiently rich and substantial "non-television module" (or Digital Media Component as defined in the CMF Guidelines). However, after significant industry feedback on the matter, the Department agreed, as a transitional measure, that not every television program would have to meet this requirement. This flexibility was then extended to the 2011-2012 and 2012-2013 CMF programs, and is expressed in the 2012-2013 Contribution Agreement as follows:

> To allow for a transition of traditional television production to the new digital environment both live and on-demand streaming of video over a digital platform with no additional content or interactivity may be recognized as an eligible second platform for the Fiscal Year 2012-2013, subject to the following conditions:
>
> (i) expenses for live and on-demand streaming of video will not qualify as eligible expenditures; and,
> (ii) the Corporation will make every effort to achieve no less than 60 percent of the convergent projects funded in that Fiscal Year having value-added content created for and distributed on at least one other digital platform.
>
> The Corporation acknowledges that this is a purely transitional exception, subject to review by the Department and there is no guarantee that it will be continued under any subsequent contribution agreements which may be entered into by the parties.

Current convergence requirements

Since its launch in 2010-2011, the CMF has required all television projects to have a "2nd platform", either distribution of the television production itself on digital platforms, or additional, value-added digital content on non-TV platforms. The CMF has strongly encouraged the latter, and implemented a variety of rules and incentives to do so.

The current CMF requirements for convergence and digital media (DM) content are provided in the 2012-2013 Performance Envelope Program Guidelines (http://www.cmf-fmc.ca/documents/files/programs/2012-13/guidelines/2012-13_perf_env_guidelines.pdf), and in the Performance Envelope Manual (http://www.cmf-fmc.ca/documents/files/env-admin/manuals/perf-env-manual-2012-2013_July.pdf). These requirements are substantially identical across all CMF Convergent Stream production programs, including the Convergent Digital Media Incentive (CDMI) (http://www.cmf-fmc.ca/documents/files/programs/2012-13/guidelines/2012-13_cnv_dm_incentive_guidelines.pdf).

The following table illustrates some of the key convergence requirements for production programs and how they have evolved since 2010-2011:

	2010-2011	2011-2012	2012-2013
Basic/Rich & Substantial DM	Rich & Substantial DM eligible to meet "2nd platform" requirement and fundable; Basic DM eligible to meet "2nd platform" requirement but not fundable;	Only Rich & Substantial DM eligible to meet "2nd platform" requirement and fundable; Basic DM not eligible to meet "2nd platform" requirement and not fundable;	Only Rich & Substantial DM eligible to meet "2nd platform" requirement and fundable; Basic DM not eligible to meet "2nd platform" requirement and not fundable;
Minimum DM Spending requirement	Broadcasters with performance envelopes must spend a minimum of 50% of their envelope on projects with rich & substantial DM components; preexisting DM content counts fully towards the 50% target	Broadcasters with performance envelopes must spend a minimum of 50% of their envelope on projects with rich & substantial DM components; preexisting DM content (without significant changes) counts at 50% of the value of the contribution	Broadcasters with performance envelopes must spend a minimum of 60% of their envelope to projects with rich & substantial DM components; preexisting DM content (without significant changes) no longer counts towards the 60% target
Broadcaster minimum financing (cash contribution)	10% of DM component's Eligible Costs	10% of DM component's Eligible Costs	10% of DM component's Eligible Costs
CMF Maximum Contribution to DM	50% of the DM component's Eligible Costs or $500,000, whichever is less	50% of the DM component's Eligible Costs or $500,000, whichever is less	75% of the DM component's Eligible Costs or $500,000, whichever is less

Outcomes

As shown in Appendix A, 2011-2012 saw significant improvement over 2010-2011. In production, across all languages and genres, the total number of convergent projects with rich and substantial DM components increased from 190 to 236, amounting to 46% of the total number of convergent projects. Spending on convergent projects with rich and substantial DM components increased from 69%to 72% of total funding to convergent projects.

For the current fiscal year, 75% of convergent stream funds have been committed to-date. Taking that level into consideration, convergent projects using rich and substantial DM components seem on track to meet or exceed previous levels.

Building upon the $15 million allocation from the CDMI, $20.2 million in funding has been committed to-date to DM components over all programs (all languages and genres).

In the Development Program, 76% of all commitments to date propose a rich and substantial DM Component as their second platform—86% in the English market and 64% in the French market.

The following section describes potential options to improve these results further for 2013-2014 – in the event that some flexibility remains available in the Contribution Aagreement.

Options for consideration

1. Increase the 60% Minimum Performance Envelope Spending on DM

As described at section G.6 of the Performance Envelope Manual:

> Projects funded via the CMF's Convergent Stream are required to have two components, as described in section 3.2 of the Performance Envelope Guidelines. Broadcasters with performance envelopes will be required to direct a certain percentage of their envelope (60%) to projects whose non-television component under 3.2(2) meets the CMF's standard for rich and substantial content. This amount is outlined in dollars in each broadcaster's allocation letter.
>
> Only projects that include new rich & substantial components or pre-existing ones that are sufficiently modified (post-application) will be given credit towards this obligation. The determination as to what constitutes a sufficient modification to a pre-existing component will be made at the CMF's discretion on a case-by-case basis. (see Appendix D of the PE Manual)

As shown in Appendix B, the percentage of Performance Envelope commitments to convergent projects having a DM Component was 71% in 2011-2012, an 8 percentage point increase from 2010-2011, and close to the overall convergent funding share of 72% for 2011-2012 (across all convergent programs). English market convergent DM project commitments were at 70% and French market convergent DM project commitments were at 74%.

Year-to-date, English market commitments are currently at 41% convergent DM funding, while French market commitments have exceeded the minimum requirement, by attaining the current 61% level of convergent DM funding.

In order to further stimulate the creation of digital media components and further push its convergence mandate, the CMF could increase this 60% minimum requirement. Given the statistics noted above, 70% would seem attainable.

If the CMF were to implement this change, the same percentage would apply to development in the same way that the CMF moved to harmonization between production and development last year.

2. Unfunded Rich & Substantial DM Components

While broadcasters must commit at least 60% of their performance envelope to convergent projects with rich & substantial DM components, this does not mean that broadcasters must commit funding from their performance envelope to those components. Some DM components are produced without CMF support. These unfunded DM components must nevertheless comply with section 3.2.DM and its subsections, with the exception of section 3.2.DM.4 (the 10% minimum broadcaster financing requirement).

As shown in the table below, results from 2010-2011 demonstrate that 69 projects met the convergence requirement with a DM component that was not financed by the CMF; this represents 29% of the 190 DM convergent projects that were produced and 15% of the 462 convergent projects that the CMF funded. For 2011-2012, the number of funded DM components increased significantly, while the number of unfunded DM components decreased slightly: 66 projects met the convergence requirement with a DM component that was not financed by the CMF; this represents 28% of the 236 DM convergent projects that were produced and 13% of the 509 convergent projects that the CMF funded.

In 2012-2013 to date, the percentage of unfunded DM components has dropped to 9%. However, this may be due to the time of year, as it is over one month before the performance envelope deadline. More projects may apply with unfunded DM components.

Year	2010-2011	2011-2012	2012-2013 to date
# funded DM components	121	177	165
Funded DM Budget $K	16,419	23,030	29,502
Average DM Budget $K (funded)	**136**	**130**	**179**
# of Conv. projects total	462	509	324
# Conv. projects w/funded DM	121	170	152
# Conv. projects w/DM but unfunded	69	66	22
% of unfunded DM components	29%	28%	9%

Note: the number of convergent projects with funded DM may not equal the # of funded DM components as some convergent projects may have more than one funded component.
Production only

Given the results above, and given the administrative burden for analyzing unfunded DM component applications, both for applicants and the CMF, the CMF could seek to reduce their number further by counting the performance envelope allocations to projects with unfunded DMM components at 50% of their value, (similar to what was done in 2011-2012 with pre-existing content). However, given the value of this flexibility to broadcasters meeting their DM targets and given that the objective of creating DM content is met even if it is not CMF-funded, CMF staff does not recommend this option.

3. Eliminate VOD or digital distribution as an eligible "2nd platform"

The CMF currently defines a convergent project as follows:

> An Eligible Project is a convergent project. For the CMF's purposes, a convergent project must have:
>
> 1) A Television Component that is made available by:
>
> a) One or more CRTC-licensed traditional, scheduled broadcasters; and/or
> b) One or more CRTC-licensed video-on-demand (VOD) services;
>
> and
>
> 2) Any or all of the following:
>
> a) One or more Digital Media Components;
> b) The Television Component made available to Canadians by one or more CRTC-licensed video-on-demand services;
> c) The Television Component made available to Canadians by a Canadian entity via non-simulcast digital distribution.

As noted above, allowing VOD and/or digital distribution to meet the "2nd platform requirement" was intended as a temporary measure. Accordingly, the CMF could eliminate one of these "2nd platform" options.

However, as shown below, usage of these “2nd platform” options is significantly different in the English and French markets: while usage of VOD and digital distribution has varied from one year to another in the English market, the French market has consistently made more important use of digital distribution. As such, both markets would not be affected equally by the elimination of one of these options.

All languages and genres	2010-2011	2011-2012	2012-2013 to date	Average
Digital Media	69	72	68	70
Digital Distribution	18	18	19	18
VOD	13	10	13	12
Total	100	100	100	100

English All Genres	2010-2011	2011-2012	2012-2013 to date	Average
Digital Media	69	70	63	67
Digital Distribution	12	17	17	15
VOD	19	13	20	17
Total	100	100	100	100

French All Genres	2010-2011	2011-2012	2012-2013 to date	Average
Digital Media	67	73	75	72
Digital Distribution	30	22	24	25
VOD	3	5	1	3
Total	100	100	100	100

That said, one could also argue that eliminating one of the two “2nd platform” options is unlikely to result in additional DM content. Projects that take advantage of this flexibility to not produce a rich & substantial DM component currently have two options—VOD or digital distribution. If the CMF eliminates one of the two, but not both, projects that wish to continue to take advantage of that flexibility may still do so, they will simply have one option instead of two. The objective of increasing the percentage of projects with a rich & substantial DM component may remain unaffected.

4. Tailor Convergence Requirements by Genre

Currently, the CMF’s convergence requirements apply uniformly across all eligible television genres. Some stakeholders have argued that some genres are more suited to rich & substantial DM content than others. In particular, children’s & youth programming has been given as an example of a genre well suited for DM components, while one-off variety specials have been given as an example where DM content is not always appropriate.

The CMF could take a genre-targeted approach to convergence requirements, adjusting DM minimum percentages by genre (see results by genre in Appendix A). Alternatively, the CMF could tailor this to distinguish between one-offs and series.

CMF staff does not currently recommend this option as it adds complexity to the system.

5. Increase the CDMI

The Convergent Digital Media Incentive (CDMI) provides a non-repayable contribution of up to 75% of a DM component’s Eligible Costs up to a per-project maximum of $500,000, and is awarded to eligible projects on a first-come, first-served basis until resources for the incentive are depleted or until the application deadline, whichever comes first.

In 2012-2013 the CDMI allocation was increased to $15 million, the Maximum Contribution was increased to 75% from 50%, a minimum budget of $100,000 was introduced, and the Performance Envelope-related barrier to entry was removed. As a result, the number of applications to the program increased by 252% over last year, and the CDMI allocation for this year is already fully depleted, in both the English and French markets.

# of applications

	English	French	Total
2012-2013	45	43	88
2011-2012	20	5	25

Based on these positive results, the CMF could seek to further augment the number and production volume of DM components being produced by further increasing the funding allocation to the CDMI in 2013-2014.

6. Increase the Digital Media Investment Factor in PE calculations

As described in the Performance Envelope Manual:

> The digital media investment performance factor is intended to provide an incentive for broadcasters to support "rich and substantial" (as defined in the Guidelines) digital media components to augment their television properties.
>
> Credit in the digital media performance factor is based on the combination of a broadcaster's eligible cash and the CMF contributions to performance envelope or CDMI-funded rich and substantial digital media components. A broadcaster will earn credit for each dollar it contributes in eligible cash (not services or other ineligible contributions) and/or from its CMF envelope, as well as CDMI funds. Note that a broadcaster may earn credit for its eligible cash contributions even if it did not contribute funds from its performance envelope so long as the digital media component received performance envelope funds from another broadcaster or CDMI funds.

The DM investment factor was first introduced as a temporary measure to be eventually replaced by a factor that will reflect the audience success of DM components. To this end, the CMF launched its Digital Media Measurement Framework in May 2012 and launched a partnership with comScore in September 2012 to implement an automated DM measurement tool. However, since these initiatives are quite recent, and that the CMF will not be able to garner a sufficient amount of DM audience data by year-end, it will not be possible to implement a DM audience factor for 2013-2014 performance envelope calculations. (A recent discussion of the DMMF can be found on the CMF's website here: http://www.cmf-fmc.ca/documents/files/about/ind-outreach/2012-13/bn-dm-audience-success-factor.pdf)

Accordingly, in order to further augment the number and production volume of DM components being produced, the CMF could increase the weighting of the Digital Media Investment Factor from its current weight of 10%, for 2013-2014 performance envelope calculations.

7. Establish a minimum budget for Digital Media Components

Some stakeholders have argued that funds allocated to support for digital content are being spread too thin, and that greater investment is needed in DM Components in order to achieve success. One way to accomplish this would be to establish a minimum budget for CMF-eligible DM components.

Average convergent digital media budgets

Average DM budgets - $K	English	French
2012-2013 to date	254	155
2011-2012	154	109
2010-2011	181	102

all convergent programs

Year-to-date results show a sharp increase in digital media component budgets, rising $100K in English (a 65% increase) and $46K in French (a 42% increase) over last year. However, 2012-2013 average budgets should be seen with caution, as more expensive projects may have applied earlier, while lower-budget projects may apply closer to the final closing date.

That said, average budgets do appear to be increasing year over year, and CMF recommends the adoption of additional incentives as described above, over the establishment of a minimum DM budget.

8. Increase the CMF Maximum Contribution for Digital Media Components

Section 2.3.1 of the Performance Envelope Program states, in part:

> For the DM Component(s), the Maximum Contribution is 75% of a component's Eligible Costs or $500,000, whichever is less. Where there are multiple DM Components (e.g. a website, a mobile application, and a game), the $500,000 Maximum Contribution applies to each eligible component.

This Maximum Contribution was increased from 50% in 2012-2013.

The following table shows the number of projects that hit one of the maximum CMF contribution caps (in cash or in %)

2011-2012			2012-2013 to date		
# at max	total		# at max	total	
86	121	71%	118	165	72%

all convergent programs

To date in 2012-2013, only 2 of the 118 projects that reached the maximum contribution did so in regard with the dollar cap, while the remaining 116 projects reached the 75% cap, that is 71% of the total number of projects. The proportion may change by year's end however, depending on the type of projects yet to apply. In 2011-2012, none of the 86 projects that reached the maximum contribution did so in regard with the dollar cap, and these 86 represented 72% of the total number of projects.

Based on these results, CMF staff does not recommend increasing the Maximum Contribution above 75% and/or $500,000.

9. *Increase the Broadcaster Minimum Financing Requirement*

The CMF's convergent production programs currently have the following requirement:

> A DM Component that is funded by the CMF must receive minimum financing from a Canadian broadcaster of 10% of the component's Eligible Costs. This minimum financing must be in cash; it cannot include facilities, goods or services, a producer time-buy, donations or corporate sponsorship monies negotiated and obtained by the Applicant, tax credits or any arrangement which, in the CMF's assessment, does not constitute genuine cash financing. Where there are multiple DM Components (e.g. a website, a mobile application, and a game), the 10% minimum financing requirement applies to each eligible component.

As shown in Appendix C, statistics for the past two years demonstrate that average broadcaster financing increased from 22% of total budgets in 2010-2011 to 25% of total budgets in 2011-2012. 1/5 of that financing takes the form of services and the rest is eligible cash contributions. Eligible cash financing made up 20% of budgets on average, far above the required 10%.

The CMF could increase this requirement from 10% to a higher percentage. However, there is no guarantee that average production budgets would increase as a result - in fact, the result could be the opposite; and there is also a risk that broadcasters would be less likely to attain their targeted percentage envelope spend on projects with rich and substantial DM components.

COMMENTS:

Funding Results

Appendix A

Convergence Requirements – Digital Media Component

Production - all programs

	All languages and genres	2010-2011	2011-2012	2012-2013 to date
	Funded DM	6,440	9,161	20,212
	% of Convergent DM	3	4	12
$K	Total Convergent DM	199,097	224,402	168,873
	% of Total Convergent	69	72	68
	Total Convergent	289,882	312,491	247,344
	Funded DM	121	177	165
	% of Convergent DM	64	75	95
#	Total Convergent DM	190	236	174
	% of Total Convergent	41	46	54
	Total Convergent	462	509	324

	English All Genres	2010-2011	2011-2012	2012-2013 to date
	Funded DM	3,220	5,143	11,577
	% of Convergent DM	2	4	12
$K	Total Convergent DM	128,830	142,469	93,679
	% of Total Convergent	69	70	63
	Total Convergent	187,206	204,063	149,877
	Funded DM	43	72	63
	% of Convergent DM	49	40	90
#	Total Convergent DM	88	182	70
	% of Total Convergent	40	58	52
	Total Convergent	222	314	134

	French All Genres	2010-2011	2011-2012	2012-2013 to date
	Funded DM	2,113	2,714	5,830
	% of Convergent DM	3	4	9
$K	Total Convergent DM	64,310	73,186	63,764
	% of Total Convergent	67	73	75
	Total Convergent	95,880	99,680	85,568
	Funded DM	63	83	60
	% of Convergent DM	77	85	98
#	Total Convergent DM	82	98	61
	% of Total Convergent	38	41	43
	Total Convergent	216	239	143

English Children's & Youth		2010 - 2011	2011 - 2012	2012 - 2013 to date
$K	Funded DM	1,589	3,094	4,504
	% of Convergent DM	4	9	27
	Total Convergent DM	37,231	35,321	16,595
	% of Total Convergent	95	84	66
	Total Convergent	39,240	42,286	25,273
#	Funded DM	17	26	22
	% of Convergent DM	52	81	110
	Total Convergent DM	33	32	20
	% of Total Convergent	79	73	83
	Total Convergent	42	44	24

French Children's & Youth		2010 - 2011	2011 - 2012	2012 - 2013 to date
$K	Funded DM	472	539	1,265
	% of Convergent DM	4	4	10
	Total Convergent DM	10,514	13,776	12,552
	% of Total Convergent	70	81	82
	Total Convergent	15,071	17,090	15,271
#	Funded DM	10	20	13
	% of Convergent DM	59	87	93
	Total Convergent DM	17	23	14
	% of Total Convergent	57	66	67
	Total Convergent	30	35	21

English Documentary

$K	Funded DM	638	723	5,140
	% of Convergent DM	7	5	34
	Total Convergent DM	9,433	13,185	14,986
	% of Total Convergent	30	36	57
	Total Convergent	31,579	36,686	26,222
#	Funded DM	16	25	30
	% of Convergent DM	48	57	83
	Total Convergent DM	33	44	36
	% of Total Convergent	27	31	46
	Total Convergent	124	143	79

French Documentary

$K	Funded DM	691	1,031	1,786
	% of Convergent DM	6	8	20
	Total Convergent DM	10,843	12,738	8,823
	% of Total Convergent	48	52	49
	Total Convergent	22,715	24,448	17,947
#	Funded DM	26	35	21
	% of Convergent DM	87	92	95
	Total Convergent DM	30	38	22
	% of Total Convergent	26	30	30
	Total Convergent	117	127	73

English Drama

		2010-2011	2011-2012	2012-2013 to date
$K	Funded DM	992	1,280	1,385
	% of Convergent DM	1	2	2
	Total Convergent DM	82,165	84,198	56,591
	% of Total Convergent	73	74	61
	Total Convergent	112,758	113,409	92,094
#	Funded DM	10	16	9
	% of Convergent DM	45	59	75
	Total Convergent DM	22	27	12
	% of Total Convergent	51	68	44
	Total Convergent	43	40	27

French Drama

		2010-2011	2011-2012	2012-2013 to date
$K	Funded DM	522	854	2,289
	% of Convergent DM	1	2	6
	Total Convergent DM	37,260	39,846	38,723
	% of Total Convergent	77	85	85
	Total Convergent	48,241	46,855	45,797
#	Funded DM	16	19	20
	% of Convergent DM	76	83	111
	Total Convergent DM	21	23	18
	% of Total Convergent	66	79	78
	Total Convergent	32	29	23

English Variety & Performing Arts

		2010-2011	2011-2012	2012-2013 to date
$K	Funded DM	0	45	548
	% of Convergent DM	n.a.	0	10
	Total Convergent DM	0	9,764	5,508
	% of Total Convergent	0	84	88
	Total Convergent	3,628	11,682	6,287
#	Funded DM	0	5	2
	% of Convergent DM	n.a.	71	100
	Total Convergent DM	0	7	2
	% of Total Convergent	0	47	50
	Total Convergent	13	15	4

French Variety & Performing Arts

		2010-2011	2011-2012	2012-2013 to date
$K	Funded DM	429	290	490
	% of Convergent DM	8	4	13
	Total Convergent DM	5,693	6,826	3,666
	% of Total Convergent	58	60	56
	Total Convergent	9,853	11,288	6,553
#	Funded DM	11	9	6
	% of Convergent DM	79	64	86
	Total Convergent DM	14	14	7
	% of Total Convergent	38	29	27
	Total Convergent	37	48	26

Development - all programs

All languages and genres		2012-2013 to date
$K	Funded DM	142
	% of Convergent DM	6
	Total Convergent DM	2,179
	% of Total Convergent	76
	Total Convergent	2,870
#	Funded DM	42
	% of Convergent DM	79
	Total Convergent DM	53
	% of Total Convergent	61
	Total Convergent	87

English All Genres		2012-2013 to date
$K	Funded DM	13
	% of Convergent DM	1
	Total Convergent DM	911
	% of Total Convergent	86
	Total Convergent	1,060
#	Funded DM	9
	% of Convergent DM	69
	Total Convergent DM	13
	% of Total Convergent	81
	Total Convergent	16

French All Genres		2012-2013 to date
$K	Funded DM	90
	% of Convergent DM	9
	Total Convergent DM	958
	% of Total Convergent	64
	Total Convergent	1,490
#	Funded DM	25
	% of Convergent DM	100
	Total Convergent DM	25
	% of Total Convergent	45
	Total Convergent	55

Appendix B

Convergent Digital Minimum in Performance Envelopes

English Market	2010-2011	2011-2012	2012-2013 to date
Total $M required to meet Digital Minimum	93.7	94.5	109.0
(% of performance envelopes)	(50%)	(50%)	(60%)
Amount spent $M	114.4	131.8	74.6
% of allocation spent on convergent DM	**61%**	**70%**	**41%**
French Market			
Total $M required to meet Digital Minimum	44.9	45.0	53.6
(% of performance envelopes)	(50%)	(50%)	(60%)
Amount spent $M	61.0	66.8	54.6
% of allocation spent on convergent DM	**68%**	**74%**	**61%**
All Broadcasters			
Total $M required to meet Digital Minimum	138.6	139.5	162.6
(% of performance envelopes)	(50%)	(50%)	(60%)
Amount spent $M	175.3	198.5	129.2
% of allocation spent on convergent DM	**63%**	**71%**	**48%**

Appendix C

Convergent Digital Media Component Financing	2011-2012		2010-2011
	$K	%	%
Broadcasters	**5,737**	**25**	22
Licences and Contributions	4,657	20	18
Services	1,053	5	4
Equity	27	0	0
CMF	**9,161**	**40**	39
Private Funds	**3,884**	**17**	17
Provincial Government	**1,840**	**8**	8
Producers	**1,767**	**8**	9
Distributors	**378**	**2**	1
Other	**132**	**1**	2
Federal Government	**15**	**0**	1
Foreign	**15**	**0**	1
Total	**22,929**	**100**	100

all convergent programs

Note: the CMF maximum contribution was capped at 50% in 2010-11 and 2011-12