

3. These co-productions are considered to be national productions by and in each of the two countries. Subject to the national legislation and regulations in force in Canada and Sweden, co-productions are fully entitled to take advantage of the benefits available to the film and video industries or those that may be decreed in each country. These benefits accrue solely to the producer of the country that grants them.

## ARTICLE II

The benefits of the provision of this Agreement apply only to co-productions undertaken by producers who have good technical organization, sound financial backing and recognized professional standing.

## ARTICLE III

1. The producers must be nationals of Canada or Sweden or permanent residents of Canada or residents of Sweden. The writers and the directors of the co-productions, as well as technicians, performers and other production personnel participating in the production, must be nationals of Canada or Sweden or permanent residents of Canada and residents of Sweden. They can also be nationals of member states of the European Economic Area (EEA) provided that the participation of personnel from both Canada and Sweden is of obvious importance.

2. Should the co-production so require, the participation of performers other than those provided for in the first paragraph may be permitted, subject to approval by the competent authorities of both countries.

## ARTICLE IV

1. The proportion of the respective contributions of the co-producers of the two countries may vary from twenty (20%) to eighty per cent (80%) of the budget for each co-production.

2. Location shooting, exterior or interior, in a country not participating in the co-production (i.e. other than Canada, Sweden or a member state of the EEA) may be authorized, if the script of the action so requires and if technicians from Canada, Sweden or a member state of the EEA take part in the shooting. The laboratory work shall be done in either Canada, Sweden or a member state of the EEA unless it is technically impossible.