

ANNEX

This Annex is for administrative purposes and does not form part of the *Film Coproduction Treaty between the Government of Canada and the Government of the People's Republic of China* ("the Treaty"), done at Beijing, on the 31st day of August 2016.

The Parties to the Treaty understand that:

1. FINANCIAL CONTRIBUTION BY PRODUCERS

- (a) The producers of the respective Parties will decide on the percentage of financial contribution of each producer through consultation and by mutual consent. The proportion of investment by either the Canadian producer or the Chinese producer will not be below fifteen (15) percent or over eighty-five (85) percent of the total production budget.
- (b) In the case of a multipartite coproduction with a third-party producer, the minimum financial contribution of any of the producers of the coproducing parties will not be lower than ten (10) percent of the total production budget.

2. CREATIVE AND TECHNICAL CONTRIBUTION BY PRODUCERS

- (a) Each producer will be required to make a creative and technical contribution. This contribution should be proportional to the financial contribution of the producer and will be negotiated between the two producers in accordance with the script.
- (b) Each third-party producer in the film coproduction will make a creative and technical contribution. This contribution should be proportional to the financial contribution of the third-party producer.

3. LOCATION AND TECHNICAL SERVICES

- (a) Subject to sub-paragraph (b), location shooting of a film coproduction will take place in the coproducing parties.
- (b) The competent/administrative authorities may, by mutual consent in writing, allow for the location shooting of the film coproduction to take place in a non-party for storyline and/or creative reasons.
- (c) The competent/administrative authorities may, by mutual consent in writing, allow technical services to be provided in one or more non-parties provided that producers demonstrate the non-availability of those services in any of the coproducing parties, and provided that the value of such services does not exceed twenty-five (25) percent of the total production budget of the film coproduction.