

## ARTICLE II

1. In order to qualify for the benefits of co-production, cinematographic productions must be undertaken by producers who have good technical organization, sound financial backing and recognized professional standing.

2. Studio shooting must be carried out in one or other of the countries participating in the co-production. Location shooting, exterior or interior, in a country not participating in the co-production may be authorized, if the script or action of the work so requires and if technicians from Canada and Algeria take part in the shooting.

## ARTICLE III

1. The directors of cinematographic productions, as well as technicians and performers participating in the production, must be nationals of Algeria or Canada, or resident in Algeria or permanent residents of Canada.

2. The term "permanent residents of Canada" mentioned in the preceding paragraph has the same meaning as in the provisions of the Canada Income Tax Regulations relating to certified productions, as they may be amended from time to time.

3. Should the cinematographic co-production so require, the participation of performers other than those provided for in the preceding paragraph may be permitted, subject to agreement between 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 thirty to seventy (30-70) per cent for each cinematographic production.

2. The minority co-producer shall be required to make an effective technical and creative contribution. In principle, the contribution of the minority co-producer in creative staff, technicians and actors shall be in proportion to his investment. In exceptional circumstances, departures herefrom may be made jointly by the competent authorities of both countries.

## ARTICLE V

1. The contracting parties look favourably upon the cinematographic co-productions meeting international standards by Canada, Algeria and countries to which either of the said parties is bound by co-production agreements.

2. The conditions of acceptance for such cinematographic productions shall be determined in each case.