

## ARTICLE II

The benefits of the provisions 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 proportion of the respective contributions of the co-producers of the Parties may vary from twenty (20%) to eighty percent (80%) of the budget for each co-production.
2. Each co-producer shall be required to make an effective technical and creative contribution. In principle, this contribution shall be in proportion to his investment.

## ARTICLE IV

1. The producers, writers and directors of co-productions, as well as the technicians, performers and other production personnel participating in such co-productions, must be citizens, or permanent residents of Canada or of the Republic of the Philippines.
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 V

1. Live action shooting and animation works such as pre-and-post production storyboards, layout, key animation, in between, ink-and-paint, and voice recording must, in principle, be carried out alternately in Canada and in the Republic of the Philippines.
2. Location shooting, exterior or interior, in a country not participating in the co-production may, however, be authorized, if the script or the action so requires and if technicians from Canada and the Republic of the Philippines take part in the shooting.
3. The laboratory work shall be done in either Canada or in the Republic of the Philippines, unless it is technically impossible to do so, in which case the laboratory work in a country not participating in the co-production may be authorized by the competent authorities of both countries.

## ARTICLE VI

1. The competent authorities of both countries also look favourably upon co-productions undertaken by producers of Canada, the Republic of the Philippines and any country to which Canada or the Republic of the Philippines is linked by an Official Co-Production Agreement.
2. The proportion of any minority contribution in any multi-party co-production shall be not less than twenty per cent (20%).