4.

Every co-production produced under this Agreement shall be considered to be a national production for all purposes by and in each of the two countries. However, only the Polish co-producer shall be entitled to the benefits accorded to national productions in the Republic of Poland and only the Canadian coproducer shall be entitled to the benefits accorded to national productions in Canada.

## ARTICLE II

The benefits of the provisions of this Agreement apply only to co-productions undertaken by producers who, in the opinion of their respective competent authorities, 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 two countries may vary from twenty (20%) to eighty per cent (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 and should comprise the participation of a combination of creative personnel, technicians, performers (in either leading or supporting roles or both) and facilities. Departures from this principle must be approved by the competent authorities of both countries.

## 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 Canadian or Polish citizens, or permanent residents of Canada or Poland in accordance with relevant regulations in force in both countries.
- 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. Location shooting, exterior or interior, in a country not participating in the coproduction may, however, be authorized, if the script or the action so requires and if technicians from Canada and Poland take part in the shooting.
- 2. Live action shooting and animation works such as storyboards, layout, key animation, in between and voice recording must, in principle, be carried out in one or the other of the two co-producing countries.
- 3. The laboratory work shall be done in either Canada or Poland, 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.