

(i) **Agreement between the Government of Canada and the Government of the Republic of France concerning Cinematographic Relations.**

- A) Paragraph (1) of Article III shall be modified by adding the underlined sentence below in the location indicated:

"(1) The scriptwriters and directors of cinematographic productions, as well as technicians and performers participating in the production, must be nationals of France or Canada, or nationals of member States of the European Economic Area, or residents of France or permanent residents of Canada;"

- B) The agreement shall be modified by adding the following appendix on financial coproduction:

APPENDIX on financial co-production.

Notwithstanding the provisions of Article IV of the Agreement between the Government of Canada and the Government of the Republic of France concerning Cinematographic Relations, productions produced under the framework of a financial co-production may be considered, with the consent of the competent authorities, to be co-productions and qualify for the benefits of such.

In order to be approved by the competent French and Canadian authorities, these productions must meet the following conditions:

- 1) entail a minority contribution that may be limited to a financial contribution, without necessarily excluding any artistic and technical contribution, pursuant to the co-production contract, but that is not less than 20% of the cost of production;
- 2) consist in an equal number of films with majority French financial contribution and films with majority Canadian financial contribution, the financial contributions made by each party balancing out over a period of two years;
- 3) be of such technical quality and have such artistic value as entertainment as to be of acknowledged interest to French and Canadian filmmaking; competent authorities in France and Canada will determine whether or not the films have those characteristics;