

(16) Payments and financial transfers in connection with co-production films made under this Agreement shall be effected within the framework of existing agreements and regulations.

(17) The provisions of both Part I and Part II of this Annex may from time to time be amended by the competent authorities, after consultation with the Mixed Commission, and any such provisions shall take effect as so amended when the required legal procedures have been completed.

## PART II

### TWINNED CO-PRODUCTION FILM

(18) Paragraphs 1, 2, 4, 10, 11, 12, 13, 14, 15, 16 and 17 of Part I of the Annex shall apply.

(19) One film of a twinned co-production must satisfy all the conditions for it to be a British film under paragraphs 4 (2) (b) and (c) of Schedule 1 to the Films Act 1985 as amended from time to time; and one film of a twinned co-production must satisfy all the conditions for it to be Canadian in accordance with the regulations either under the Income Tax Act (Canada) or pursuant to the authority of the Canadian Radio-Television and Telecommunications Commission (CRTC).

(20) The total production costs of each film must be approximately equal and there shall be an overall balance in the respective financial contributions made by the United Kingdom and Canadian co-producers. The contributions of two or more co-producers from one country shall be aggregated for this purpose.

(21) Twinned co-production films:

(a) must belong to the same programme category and be of approximately similar length;

(b) must belong to one of the following categories: performing arts, fiction, documentary or animated programmes; and

(c) must be in production either simultaneously or consecutively, provided, in the latter case, that no more than six months shall elapse between the completion of the first twinned co-production and the commencement of the second such co-production."