

2. Co-productions undertaken under the present Agreement must be approved by the following competent authorities:

In Canada: The Minister of Communications; and
In Romania: The National Centre for Cinematography

3. Every co-production proposed under this Agreement shall be produced and distributed in accordance with the national legislation and regulations in force in Canada and Romania.

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. Accordingly, each such co-production shall be fully entitled to take advantage of all benefits currently available to the film and video industries or those that may hereafter be decreed in each country. These benefits do, however, accrue solely to the producer of the country which grants them.

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 two countries may vary from twenty (20%) to eighty per cent (80%) of the budget for each co-production.

2. The minority 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 Romanian citizens, or permanent residents of Canada or Romania.