

2. Studio shooting and animation works such as storyboards, layout, key animation, inbetweens, and noise, music and voice recording must, in principle, be carried out alternately in Canada and the Russian Federation.

#### ARTICLE IX

1. The original sound track of each co-production shall be made in either English or French or Russian. Double shooting in any two, or in all of these languages may be made. Dialogue in other languages may be included in the co-production as the script requires.
2. The dubbing or subtitling of each co-production into English, French or Russian shall be carried out in Canada or the Russian Federation. Any departure herefrom must be approved by the competent authorities of both countries.

#### ARTICLE X

1. The producers, writers and directors, as well as the performers, technicians and other production personnel participating in the co-production, must be nationals or permanent residents of Canada or nationals or permanent residents of the Russian Federation.
2. Should the co-production so require, the participation of performers other than those provided for in the first paragraph of this Article may be permitted, subject to approval by the competent authorities of the two countries. In exceptional circumstances, departures other than those mentioned above may be permitted.

#### ARTICLE XI

The sharing of receipts should, in principle, be proportional to the total contribution of each of the co-producers and shall be subject to approval by the competent authorities of both countries. This sharing consists of either a sharing of receipts or a sharing of markets or a combination of both formulas that takes into account the difference in the volume existing between the markets of the signing countries.

#### ARTICLE XII

Where a co-production is exported to a country that has quota regulations:

- a) it shall in principle be included in the quota of the country of the majority co-producer;
- b) if the respective contributions of the co-producers are equal, it shall be included in the quota of the country that has the best opportunity of arranging for its export;
- c) if any difficulties arise with respect to the application of paragraphs (a) and (b), it shall be included in the quota of the country of which the director is a national;
- d) if one of the co-producing countries enjoys unrestricted entry of its audio-visual productions into the importing country, co-productions shall, like national productions, be entitled by full right to such unrestricted entry.