

ANNEXRULES OF PROCEDURE

Application for benefits under this Agreement for any co-production must be made simultaneously to both administrations at least 30 (thirty) days before shooting begins. The administration of the contracting Party of which the majority co-producer is a national shall communicate its proposal to the other administration within 20 (twenty) days of the submission of the complete documentation as described below. The administration of the contracting party of which the minority co-producer is a national shall thereupon communicate its decision within 20 (twenty) days.

Documentation submitted in support of an application shall consist of the following items, drafted in English or French in the case of Canada and in Portuguese in the case of Brazil.

- I. The final script;
- II. Documentary proof that the copyright for the co-production has been legally acquired;
- III. A copy of the co-production contract signed by the two co-producers;

The contract shall include:

1. the title of the co-production;
2. the name of the author of the script, or that of the adaptor if it is drawn from a literary source;
3. the name of the director (a substitution clause is permitted to provide for his replacement if necessary);
4. the budget;
5. the financing plan;
6. a clause establishing the sharing of revenues, markets, media or a combination of these;
7. a clause establishing the respective shares of the co-producers in any over- or underexpenditure, which shares shall in principle be proportional to their respective contributions, although the minority co-producer's share in any overexpenditure may be limited to a lower percentage or to a fixed amount providing that the minimum proportion permitted under Article VI of the Agreement is respected;