

## ARTICLE 2

In order to qualify for the benefits of co-production, the co-producers shall provide evidence that they have good technical organization, recognized professional standing and qualifications and the necessary financial resources to bring the production to a successful conclusion.

## ARTICLE 3

1. If the scenario or the subject of the film so requires, location shooting, exterior or interior, in a country not participating in the co-production may be authorized.
2. The producers, scriptwriters, directors and performers of co-productions, as well as technicians participating in the production, must be nationals of Canada or Italy, or permanent residents of Canada, or nationals of member States of the European Union.
3. Should the film so require, the participation of performers who are not citizens of one of the co-producing countries may be permitted, but only in exceptional circumstances, and subject to agreement between the competent authorities of both countries. However, foreign performers who are normally resident and employed in Canada or Italy may, in exceptional circumstances, take part in co-production as residents of one or the other of the said countries.

## ARTICLE 4

1. The respective contributions of the producers of the two countries may vary from twenty (20) to eighty (80) per cent for each film, the minority participation being not less than twenty per cent of the production cost of the film.
2. The minority co-producer shall be required to make an effective technical and creative contribution. In principle, the contribution of the minority co-producer in creative staff, technicians and actors shall be in proportion to his financial contribution and in any case his creative and technical contribution shall include at least one author, one technician, one performer in a leading role and one performer in a supporting role.
3. Departures of the provisions of the foregoing paragraph may be made jointly by the competent authorities of both countries, but a Canadian director or an Italian director shall be employed in any co-production.

## ARTICLE 5

1. The parties to this Agreement look favourably upon co-productions meeting international standards by Canada, Italy and any country to which Canada or Italy is bound by an official co-production agreement.
2. The conditions of acceptance for such films shall be determined in each case.
3. No minority contribution to such films shall be less than twenty (20) per cent of the budget. The creative and technical contributions shall conform to this percentage.