

4. Co-productions between the two countries must be approved by both countries, after consultation between the competent authorities:

In Canada: the Department of Canadian Heritage

In Spain: the *Instituto de la Cinematografía y de las Artes Audiovisuales* and the respective Administrations of the Autonomous Communities where the co-producers are based.

ARTICLE II

Amendment of Article III

1. The co-productions must be made by directors as well as technicians and performers of Canadian or Spanish nationality, or who are permanent residents of Canada or residents in Spain or a national of a member state of the European Union.
2. If the co-production so requires, the participation of performers of recognized international stature who are not citizens of one of the co-producing countries may be permitted for the leading role, subject to agreement between the competent authorities of both countries. Foreign performers who are normally resident and employed in Canada or Spain may take part in the co-production as residents of one or the other of the said countries.
3. When an individual is a national of both Canada and Spain, the nationality corresponding to his/her habitual residence shall prevail or, failing that, the last nationality acquired.

ARTICLE III

Amendment of Article IV

1. The proportion of the respective contributions of the co-producers of the two countries may vary from twenty (20) to eighty (80) per cent for each 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/her investment. Creative staff includes the author of the story and the scriptwriter, the director, the music composer, the editor, the director of photography and the art director. In all cases, the participation of each of these creative elements will be allocated to the country that contributes it. In principle, each country's contribution will include, as a minimum, one element defined as creative, one actor in a leading role, one actor in a secondary role and a qualified technician. For these purposes, two qualified technicians may be substituted for the actor in the leading role.

In exceptional cases, modifications to this rule may be admitted jointly by the competent authorities of the two countries.