ARTICLE III

- 1. The proportion of the respective contributions of the coproducers 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 Mexican citizens, or permanent residents of Canada or Mexico.
- 2. The term "Canadian citizen" has the same meaning as in the Citizenship Act, as it may be amended from time to time.
- 3. The term "permanent resident of Canada" has the same meaning as in the Immigration Act, 1976, as it may be amended from time to time.
- 4. The term "Mexican citizen" has the same meaning as in the Political Constitution of the United Mexican States.
- 5. The term "permanent resident of Mexico" has the same meaning as in the General Law of Mexican Population.
- 6. Should the co-production so require, the participation of performers other than those provided for in the first paragraph may be permitted, subject to approval by the competent authorities of both countries.

ARTICLE V

- 1. Location shooting, exterior or interior, in a country not participating in the co-production may, however, be authorized, if the script or the action so requires and if technicians from Canada and Mexico take part in the shooting.
- 2. Live action shooting and animation works such as storyboards, layout, key animation, in between and voice recording must, in principle, be carried out in one or the other of the two coproducing countries.
- 3. The laboratory work shall be done in either Canada or Mexico, unless it is technically impossible to do so, in which case the laboratory work in a country not participating in the co-production may be authorized by the competent authorities of both Parties.