"MINI-TREATY ANIMATION PRODUCTION"

AGREEMENT BETWEEN THE GOVERNMENT OF CANADA AND THE GOVERNMENT OF THE FRENCH REPUBLIC

CONCERNING THE PROMOTION OF FILM AND VIDEO CO-PRODUCTION PROJECTS IN THE FIELD OF ANIMATION

Paris, January 10th, 1985

AGREEMENT BETWEEN THE GOVERNMENT OF CANADA AND THE GOVERNMENT OF THE FRENCH REPUBLIC CONCERNING THE PROMOTION OF FILM AND VIDEO CO-PRODUCTION PROJECTS IN THE FIELD OF ANIMATION

THE GOVERNMENT OF CANADA AND THE GOVERNMENT OF THE FRENCH REPUBLIC

DESIROUS of promoting film and video co-operation between Canada and France in the field of animation through concrete measures aimed at achieving works of high calibre.

HAVE AGREED AS FOLLOWS:

ARTICLE I

For the purposes of the present Agreement, the term "film and video production", means animated film and video productions of any length and on any technical medium co-produced for any means of film and video distribution.

ARTICLE II

- (1) Film and video production projects may benefit from selective financial assistance from each of the two countries in accordance with the procedures set out below and the legislation in force in each of the two States.
- (2) These film and video production projects must be eligible for co-production benefits under the terms of the France/Canada Agreement concerning Cinematographic Relations of May 30, 1983, or the France/Canada Agreement concerning Television Relations of July 11, 1983.
- (3) These film and video production projects must be of mutual interest in both countries and must contribute to the quality of animated film and video production.

ARTICLE III

(1) In principle, each of the Parties shall provide selective financial assistance to the same number of majority projects. To that end, an overall balance must be achieved by the Parties between the amounts that they each pay to carry out film and video production projects that benefit from the selective financial assistance under the terms of this Agreement.

- (2) Each of the Parties shall provide, within its budgetary assets, a selective financial assistance for the film and video co-productions under the present Agreement. The maximum amount provided by each Party for all coproductions is \$500,000 by the Canadian Party and 3,000,000 FF by the French Party.
- (3) The selective financial assistance to be provided by each Party, calculated in proportion to the production budgets to be financed by the co-producer within the jurisdiction of this Party is set as follows:

In the case of a project for which the majority co-producer is Canadian: a maximum of CDN \$200,000 by Canada.

In the case of a project for which the majority co-producer is French: a maximum of 1,200,000 FF by France.

The selective financial assistance granted by each of the countries shall represent a percentage identical to the production budgets of their respective co-producers, and this proportion shall be the same for the country of the minority co-producer as for the country of the majority co-producer. This percentage shall not be greater than 20%.

- (4) These above mentioned amounts shall be revised by the competent authorities (indicated below) in terms of the rates of exchange in effect at the time of each project's acceptance.
- (5) This assistance is refundable exclusively on receipts of any kind resulting from any form of exploitation of the film and video production.
- (6) The maximum number of film and video production projects which may benefit from selective financial assistance from the two countries is therefore limited to four.

ARTICLE IV

(1) A group of experts shall be formed to consider the film and video production projects eligible for selective financial assistance under Article III of this Agreement. It shall be composed of two groups, each comprising three members, appointed respectively by each of the following competent authorities: For the Canadian Party: The Minister of Communications, or if he so authorizes, the Canadian Film Development Corporation ("Telefilm Canada");

For the French Party: The Minister of Culture or his representative.

- (2) The Group of Experts tasked with examining film and video production projects shall meet alternatively in Canada and France whenever such meetings are deemed necessary by the competent authorities in the two countries. The Group of Experts shall make recommendations to these authorities on the selective financial assistance to be given to the said projects.
- (3) The final decisions of the granting of selective financial assistance under this Agreement shall be taken by the competent authorities in accordance with their respective legislation. The competent authorities of each of the two Parties shall promptly inform each other of the conditions pertaining to the financial assistance that they each provide, with particular regard to the procedures for reimbursement.

ARTICLE V

- (1) The Parties shall encourage by every means at their disposal the public organizations within their jurisdiction to co-operate closely with private Canadian and French organizations and individuals to increase joint research in the field of animation, to train technical and creative personnel in this field and to produce together quality productions.
- (2) In addition, these Parties shall consider very favorably increased co-operation and exchanges between their public organizations in the research and production aspects of animated productions.

ARTICLE VI

Each of the Parties shall aim at developing by any means the distribution in its territory of animated productions undertaken by organizations within the jurisdiction of the other Party.

ARTICLE VII

- (1) The present Agreement shall come into force on the day of its signature.
- (2) This Agreement shall be valid for a period of one year from the date of its entry into force. It is renewable annually by tacit consent, unless one or the

other of the Parties gives notice of termination three months before its expiry date.

IN WITNESS WHEREOF the undersigned, duly authorized by their respective Governments, have affixed their signature hereto.

DONE in two copies at Paris on January 10th, 1985 each in the English and French languages, both texts being equally authentic.

Marcel Masse FOR THE GOVERNMENT OF CANADA Jack Lang FOR THE GOVERNMENT OF THE FRENCH REPUBLIC The following modifications were adopted by the Canadian and the French delegations during the France-Canada mixed commission on film and television relations held in Paris on 17-18 September 1992.

The modifications will be ratified by the respective governments at a later date.

SUGGESTED CHANGES

Agreement between the Government of Canada and the Government of the French Republic concerning the Promotion of Film and Video Co-Production Projects in the Field of Animation.

- III (3) The selective financial assistance of each party, calculated on the basis of the portion of the production budget assumed by the co-production under the jurisdiction of that party, shall be determined as follows:
 - in the case of a majority participation project carried out by a Canadian co-producer: a maximum of 200,000 Canadian dollars from Canada;
 - in the case of a majority participation project carried out by a French co-producer: a maximum of 1,200,000 FF from France.

The selective financial assistance provided by the country of the minority co-producer must <u>be proportionately equitable</u> to the selective assistance provided by the country of the majority co-producer. This percentage may not be greater than 20%.