AGREEMENT ON FILM CO-PRODUCTION

BETWEEN

THE GOVERNMENT OF THE REPUBLIC OF FRANCE

AND

THE GOVERNMENT OF THE REPUBLIC OF INDIA

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And

THE GOVERNMENT OF THE REPUBLIC OF INDIA

(hereinafter referred to as 'the Parties'),

CONSIDERING the Convention on the Protection and Promotion of the Diversity of Cultural Expressions and its ratification by India on 15th December, 2006 and by France on 18th December, 2006,

DESIRING to strengthen the relationship between France and India concerning film production,

HAVE AGREED AS FOLLOWS:

Article 1

For the purpose of this Agreement:

- a) 'Film' means feature length film including animation and documentary film which complies with the laws and rules in force in each country and which is intended to be first shown in cinema theatres. Both the Parties would under this Agreement also encourage the development of co-production projects for short films for which there is an expectation for public exhibition, with or without access to Public support;
- b) "Competent Authority" means:
- For France, the Centre national du cinema et de l'image animée (CNC);
- For India, the Ministry for Information and Broadcasting.

The Parties shall inform each other if the competent authorities are replaced by others.

- Subject to the approval of both competent authorities, a film co-produced in compliance with this Agreement shall be deemed to be a national film in the territory of each Party and shall thus be fully entitled to all the benefits which are granted under the laws and regulations in force in the territory of each Party.
- The competent authority of each Party shall provide to the competent authority of the other Party a list of provisions concerning these benefits.

If the provisions concerning these benefits are changed in any way by either Party, the competent authority of that Party shall inform the competent authority of the other Party of the details of such change.

- The above mentioned benefits shall accrue solely to the producer of the Party which grants them.
- 4. In order to be approved as a co-production under this Agreement, the film must:
- in France, apply for co-production clearance before the shooting starts, and receive final approval from the competent authority no later than 4 (four) months after its release in France;
- in India, apply for co-production clearance before the shooting starts, and receive final approval from the competent authority no later than 4 (four) months after its completion in India.

The application for such approval shall comply with the procedures set forth by each Party and satisfy the minimum requirements set forth in Annexure to this Agreement.

The competent authorities of the Parties shall exchange all information concerning the approval, rejection, change or withdrawal of any application received for approval for co-production.

Before an application for approval is rejected, the competent authorities of the Parties shall consult with each other.

Once the competent authorities of the Parties have approved the co-production of a film, such approval may not be later revoked without the consent of competent authorities of the Parties.

The approval of co-production by the competent authorities of the Parties shall not be related in any way to the film rating systems of either Party.

- In order to qualify for the approval for co-production, the producer shall have the necessary capabilities to produce the concerned film. The Parties are not responsible or liable for the credentials of either of the co-producers.
- 2. Each of the producers must satisfy the following additional conditions:
- a) The president(s), director(s) or manager(s), must be citizen of India, France or the European Union. Persons who do not have the citizenship of the aforesaid countries but can demonstrate their domicile or permanent residence therein will be deemed to be citizens of India or France within the meaning of this subparagraph.
- b) The producer must not be controlled legally or effectively by one or more citizens of any country other than India, France or the EU countries.
- 3. Artistic and technical participants in the production of the film shall be citizens of India, France or the EU countries. Participants who do not have the citizenship of the aforesaid countries but can demonstrate their domicile or permanent residence therein will be deemed to be citizens of India or France within the meaning of this subparagraph.

Actors who do not have the aforesaid citizenship may participate in a co-production in the event that the competent authorities of the Parties so approve, after consideration of the production needs of the film.

Article 4

Studio filming, location shooting (exterior or interior) and laboratory work shall in principle be carried out in the territory of either Party.

Outdoor shooting in third countries may be permitted, subject to the consent of the competent authorities of the Parties, provided that it is necessary for the scenario or the acting.

- 1. The proportion of the respective financial contributions of the co-producers of each party to the production of the film shall be decided by arrangement between the co-producers, and shall be between 20% (twenty percent) to 80%(eighty percent) of the final production costs of the film. Notwithstanding the above, in exceptional circumstances and subject to the approval of the competent authorities of both Parties, the 20% threshold may be reduced to 10% taking into account the artistic and technical collaborations of the co-producer(s) of each party.
- 2. In principle, the technical and artistic contribution of the co-producer of each Party shall be in the same proportion as its financial contribution under normal circumstances. However, in exceptional cases where the approval of the competent authorities of both parties has been obtained, these percentages shall be between 10% and 90 %.

- 1. All producers shall be the joint owners of all the tangible and intangible elements of the film.
- All materials shall be stored at a mutually approved laboratory under the joint name of the producers.

Article 7

For co-productions approved under this Agreement, each Party shall facilitate, in accordance with the domestic law in force in its territory:

- a) the entry and temporary residence in its territory for the technical and artistic personnel of the other Party who participate in the production of the film;
- (b) the import into, and export out of its territory of technical equipment and other material necessary to the coproduction (including film, technical equipment, costumes, accessories, publicity material) by the co-producer of the other Party.

Article 8

- 1. Credit titles, trailers and all publicity material of the film co-productions shall state that the film is a co-production between India and France.
- a) For the purpose of entry into different film festivals, the co-producers shall decide

mutually.

b) The fact that a film is a co-production shall also be mentioned when it is submitted to a film festival.

The sharing of revenues by the co-producers should, in principle, be in proportion to their respective contributions and this should be specified in the agreement itself. The respective contribution of each co-producer may be decided mutually on the basis of principles elaborated in Article 5.

Article 10

- The competent authorities of both the Parties acknowledge that a film co-produced in compliance with this Agreement may also be approved for co-production with the producers of a third country with which either Party has entered into a film co-production treaty.
- 2. The conditions of approval of such film as a co-production shall be determined in each individual case by competent authorities.

- A joint commission (hereinafter referred to as the 'Joint Commission') consisting of representatives of the competent authorities of both Parties and experts in related fields shall be established for the purpose of facilitating the implementation of this Agreement or recommending amendments thereto.
- 2. During the effective period of this Agreement, the Joint Commission shall be convened in principle every 2-3 years, alternately in India and France. Extraordinary sessions of the Joint Commission may also be convened at the request of either Party in the event of changes in the laws and regulations applicable to the film industry or major obstacles (in particular, imbalance in contribution) to the functioning of this Agreement.

- 3. During its meeting sessions, the Joint Commission shall review whether an overall balance has been achieved in the contributions from the two Parties and shall implement the necessary measures in order to correct any imbalance.
- 4. If an imbalance in contributions has occurred and a session of the Joint Commission is not convened expeditiously in order to review the measures to restore balance, both competent authorities shall abide by the principle of reciprocity for each film in approving co-productions.

This Agreement may be amended by the mutual consent of the Parties through the exchange of notes between the Parties through the diplomatic channel.

Article 13

Any dispute between the Parties arising out of the interpretation or implementation of this Agreement shall be settled consensually through consultation and negotiation and shall not be referred for resolution to any national or international tribunal or a third party.

- 1. This Agreement shall come into force after each Party has informed the other Party through official diplomatic channels that its internal ratification procedures have been completed.
- 2. This Agreement shall remain in force initially for a period of 2 (two) years from the date of its entry into force, and then shall be automatically renewed for successive

periods of 2 years, unless written notice is otherwise given by either Party to the other Party at least 3 (three) months before the expiry of the relevant period.

Unless both Parties decide otherwise, the termination of this Agreement shall not affect
the rights and duties of the Parties in relation to film co-productions already approved in
accordance with this Agreement.

In witness whereof, the undersigned being duly authorized thereto, have signed this Agreement.

Done at <u>Mu Deffi</u>, on this day of <u>6/12/2010</u>, in two originals each in English, French and Hindi, all versions being equally valid.

For and on behalf of

F. Kilocy and

the Government of

the Republic of France

For and on behalf of

the Government of

the Republic of India

Annexure to the Co-production Agreement

Application Process

In order to implement the provisions of this Agreement, the producers established in both countries must, before shooting commences, submit an application for coproduction status and attach the documents listed below:

- a copy of the documentation concerning the purchase of the copyright for the commercial exploitation of the work;
- a synopsis including concrete information on the theme and contents of the film;
- a list of the technical and artistic contributions from each of the countries involved;
- a work plan stating the periods and locations of principal photography on a weekly basis for studio and outdoor shooting;
- a budget including a detailed financing plan;
- a production schedule
- the coproduction contract made between the producers;
- and all the documentation that the competent authorities require to conduct the technical and financial evaluation of the project.

The competent authority of the party with smaller contribution shall decide on approval after it has received the opinion of the competent authority of the party with greater financial contribution.