

**AGREEMENT**  
**ON**  
**FILM CO-PRODUCTION**  
**BETWEEN**  
**THE GOVERNMENT OF THE STATE OF ISRAEL**  
**AND**  
**THE GOVERNMENT OF THE HELLENIC REPUBLIC**

The Government of the State of Israel and the Government of the Hellenic Republic hereinafter referred to as “the Parties”;

Considering the desire of both countries to strengthen film relations between Greece and Israel;

Considering the fact that such mutual cooperation may serve the development of film production and encourage further development of cultural and technological relations between the two countries;

Considering that co-production endeavors may benefit the film industries of the respective Parties and contribute to the economic growth of the film, television and audiovisual production and distribution industries in Greece and Israel;

Noting their mutual decision to establish a framework for encouraging all audiovisual media output, especially the co-production of films;

Referring to the Program of Educational, Scientific, Cultural, Youth and Sports Cooperation between the Government of the Hellenic Republic and the Government of the State of Israel for the years 2013-2016, and in particular Article 8.5 thereof;

Have therefore agreed as follows:

### Article 1

For the purpose of this Agreement:

(1) "Co-production" or "Co-production film" means a cinematographic work, with or without accompanying sound, regardless of length or genre, including fiction, animation and documentary productions, made by a Greek co-producer and an Israeli co-producer, the first screening of which is in cinema theatres, produced in any format, for distribution through any venue or medium, including theatres, television, internet, videocassette, videodisc, CD-ROM or any other means, including future forms of cinematographic and production distribution:

(2) "Co-producer" means the Greek co-producer or the Israeli co-producer, and "Co-producers" means the Greek co-producer and the Israeli co-producer;

"Greek co-producer" means the Greek person or entities who undertakes the arrangement necessary for the making of the Co-production Film;

"Israeli co-producer: means the Israeli person or entities who undertakes the arrangement necessary for the making of the Co-production Film;

(3) The "Competent Authorities" means both Competent Authorities responsible for the implementation of this Agreement or either Competent Authority in regard to its own country, as the case may be. The Competent Authorities are:

-For Greece: 1) Hellenic Ministry of Culture and Sports

2) Greek Film Center

-For Israel: The Ministry of Culture and Sport or its designee

## Article 2

(1) Films to be co-produced pursuant to this Agreement must be approved by the Competent Authorities.

(2) Co-production Films that have been approved under the terms of this Agreement shall be treated as national films in compliance with the legislation in force within the territory of each of the two Parties. Such Co-production Films shall be entitled to the benefits to which the film production industry is entitled by virtue of each Party's domestic legislation or by those decreed by each Party. These benefits accrue solely to the Co-producer of the country that grants them. The Competent Authority of each Party shall provide the Competent Authority of the other Party with a list of the legislation governing such benefits. In the event that such legislation is amended, in any way whatsoever, by either of the Parties, the Competent Authority of the relevant Party undertakes to inform the Competent Authority of the other Party of the terms of such amendments.

(3) In order to benefit from the provisions of the Agreement, Co-production Films must be approved by the Competent Authority of both Parties. Applications for co-production status shall comply with the procedures provided to this end by each of the Parties and the minimum requirements set forth in Annex I hereto.

(4) The Competent Authorities of the two Parties shall provide each other, with all information relating to the approval, rejection, amendment or withdrawal of applications for co-production status hereunder.

(5) The Competent Authorities of the two Parties shall consult with each other, prior to rejecting any application for co-production status. Without prejudice to paragraph 2(6), where the Competent Authorities of the two Parties have granted co-production status to a film, such status shall not subsequently be withdrawn save in the event that the said authorities agree.

(6) Each Competent Authority of the Parties is entitled to revoke co-production status of a Co-production Film and the attendant rights and benefits, if the respective Co-producer fails to comply with the conditions according to which a Party has approved a Co-production Film or the Co-producer is in material breach of the co-production agreement.

### **Article 3**

(1) In order to qualify for the benefits of co-production, the Co-producers shall provide evidence that they have the proper technical organization, adequate financial support, recognized professional standing and qualifications to bring the Co-production to a successful conclusion.

(2) Approval shall not be given to a project where the Co-producers are linked by common management or control, except to the extent that such an association has been established specifically for the purpose of the Co-production Film itself.

### **Article 4**

(1) Co-production Films shall be developed, shot, made, processed, dubbed or subtitled, up to creation of the first release print in the countries of the participating Co-producers. However, if the screenplay or the subject of the Co-production Film so requires, location shooting, exterior or interior, in a country not participating in the co-production may be authorized by the Competent Authorities. Similarly, if processing, dubbing or subtitling services of satisfactory quality are not available in a country participating in the Co-production Film, the Competent Authorities may authorize the procurement of such services from a supplier in third country.

(2) The producers, authors, scriptwriters, performers, directors, professionals and technicians participating in a Co-production Film, must be citizens or permanent residents of the Hellenic Republic or of the State of Israel in accordance, with the domestic legislation of the Parties respectively.

(3) Should a Co-production Film so require, the participation of artistic and technical staff and professionals who do not fulfill the conditions provided by paragraph (2) may be permitted, in exceptional circumstances, subject to the approval of the Competent Authorities.

(4) Use of any other language in a Co-production Film other than the languages permitted according to the respective domestic legislation of the Parties, may be permitted if the screenplay requires it.

#### **Article 5**

(1) The respective contributions of the Co-producers may vary from twenty (20) to eighty (80) per cent of the total budget for each Co-production Film. In addition, the Co-producers shall be required to make an effective technical and creative contribution, proportional to their financial investment in the Co-production Film. The technical and creative contribution should be comprised of the combined share of authors, performers, technical-production personal, laboratories and facilities.

Any exception to the abovementioned principles must be approved by the Competent Authorities, who may, in special cases, authorize that the respective contributions by the Co-producers vary from ten (10) to ninety (90) per cent.

(2) In the event that a producer from a third country is authorized to participate in the Co-Production Film, its contribution shall not be less than (10) per cent.

(3) The sharing of revenues by the Co-producers should, in principle, be proportional to their respective contributions to the production financing and be subject to approval by the Competent Authorities.

#### **Article 6**

(1) The Co-producers shall ensure that intellectual property rights in a Co-production Film that are not owned by them, will be available to them through assignment or license arrangements sufficient to fulfill the objectives of this Agreement, as stipulated in par. 3 (a) of the Annex.

(2) Allocation of intellectual property rights in a Co-production Film, including ownership and licensing thereof, shall be specified in the co-production contract to be executed by the Co-producers.

(3) Each Co-producer shall have free access to all the original co-production materials and the right to duplicate or print there from, but not the right to any use or assignment of intellectual property rights in the said materials, except as is determined by the Parties in the co-production contract.

(4) Each Co-producer shall be an owner on a joint basis of the physical copy of the original negative or other recording media in which the master Co-production is made, not including any intellectual property rights that may be embodied in the said physical copy, except as is determined by the Co-producers in separate agreements.

(5) Where the Co-production is made on film negative, the negative will be developed in a laboratory chosen mutually by the co-producers, and will be deposited therein, in the name of both Co-producers.

#### **Article 7**

The Parties shall facilitate the temporary entry and the re-export of any film equipment necessary for the production of Co-production Films under this Agreement, subject to the domestic legislation in force in their respective jurisdictions. Each Party shall use best endeavors, under its domestic legislation to permit the creative and technical personnel of the other Party to enter and reside in its territory for the purpose of participating in the production of Co-production Films.

#### **Article 8**

Approval of a proposal for the co-production of a film by the Competent Authorities does not imply any permission or authorization to show or distribute the film thus produced.

#### **Article 9**

(1) If a Co-production Film is marketed in a country that has quota regulations in regard to both Parties, it shall be included in the quota of the country, which is the majority co-

producer. In the event that the contributions of the Co-producers are equal, the Co-production Film shall be included in the quota of the country of which the director of the Co-production Film is a citizen or a permanent resident.

(2) If a Co-production Film is marketed in a country that has quota regulations in regard to one of the Parties, the Co-production Film shall be marketed by the Party in regard to whom there is no quota.

(3) In the event that a Co-production Film is marketed in a country that has quota regulations in regard to one or both of the Parties, the Competent Authorities may agree on arrangements, in regard to the quota regulations, that differ from those set out in paragraphs 1 and 2 of this Article.

(4) In all matters concerning the marketing or export of a Co-production Film, each party will accord the Co-production Film the same status and treatment as a domestic production.

#### **Article 10**

(1) All Co-production Films shall be identified as Greek-Israeli or Israeli-Greek co-productions.

(2) Such identification shall appear in a separate opening and credit title, in all commercial advertising and promotional material, whenever co-produced films are shown at any public performance.

#### **Article 11**

The Competent Authorities shall act in accordance with the Rules of Procedure appended in the Annex hereto, which constitute an integral part of this Agreement, but may, in a given case, jointly authorize co-producers to act in accordance with ad hoc rules, which they approve.

## **Article 12**

(1) The Parties may establish a Joint Committee, with an equal number of representatives from both countries. The Joint Committee shall meet, when necessary, alternately in Athens and in Jerusalem.

(2) The Joint Committee shall, inter alia:

- Review the implementation of this Agreement.
- Determine whether the overall balance of the co-production has been achieved, considering the number of co-productions, the percentage, the total amount of the investments and of the artistic and technical contributions. If not, the Committee shall determine the measures deemed necessary to establish such balance.
- Recommend means to generally improve cooperation in film co-production between Greek and Israeli producers.
- Recommend amendments to this Agreement to the Competent Authorities.

(3) The members of the Joint Committee shall be agreed upon by the Parties through diplomatic channels.

## **Article 13**

This Agreement may be amended in writing by mutual consent of the Parties. Any amendment of the Agreement or of the appended Annex shall follow the same procedure for entering into force as are specified in Article 15.

## **Article 14**

Any differences between the Parties arising from the interpretation or the implementation of this Agreement shall be settled through diplomatic channels.



**Article 15**

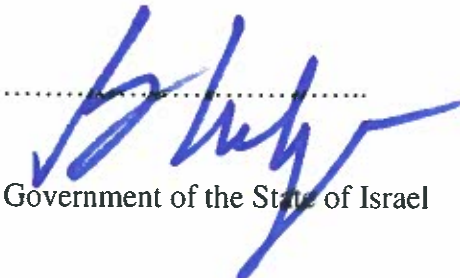
(1) This Agreement shall enter into force on the date of the second of the Diplomatic Notes by which the Parties notify each other that their internal legal procedures of its entry into force have been complied with.

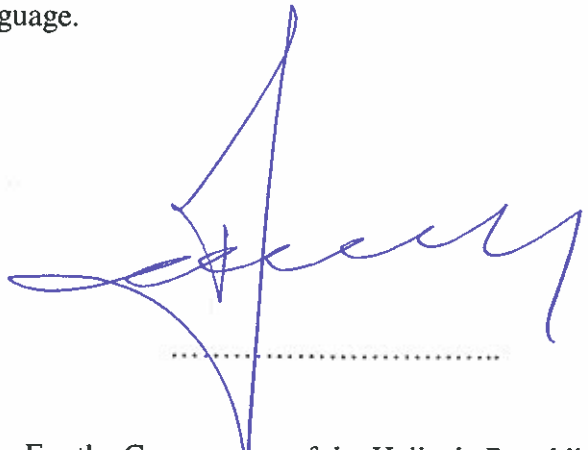
(2) This Agreement shall be valid for a period of five (5) years and shall automatically be extended for additional periods of five (5) years each, unless terminated by either Party giving at least six (6) months written prior notice to the other Party of its intention to terminate the Agreement.

(3) Co-productions which have been approved by the Competent Authorities and which are in progress at the time of notice of termination of this Agreement by either Party shall continue to benefit fully from the provisions of this Agreement until completion.

(4) In the event of termination of this Agreement, its terms shall continue to apply to the division or revenues from completed co-productions.

Signed in Jerusalem on 8 October 2013, which corresponds to 4<sup>th</sup> of Heshvan 5774, in two original copies in the English language.

  
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For the Government of the State of Israel

  
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For the Government of the Hellenic Republic

## ANNEX

### RULES OF PROCEDURE

1. Applications for qualification of a film for co-production benefits must be filed concurrently with Competent Authorities at least sixty (60) days prior to the commencement of shooting or key animation of the film.
2. The Competent Authorities shall notify each other of their decision regarding any such application for co-production within thirty (30) days from the date of submitting the complete documentation listed in the Annex to this Agreement.
3. Applications must be accompanied by the following documents in the Greek and English language for Greece and in the Hebrew or English language for the State of Israel:
  - a) A proof of license arrangements with respect to intellectual property rights, of any sort, including in particular copyright and neighboring rights ("neighboring rights" shall be understood as including, inter alia, moral rights, performers' rights and broadcasters' rights), embodied in, or arising from, in a co-production, to an extent sufficient for purposes of fulfilling the objectives of the co-production contract, including clearance arrangements for public performance, distribution, broadcast, making available by internet or otherwise, and sale or rental of physical or electronic copies of the co-production in the territories of the Parties' home countries as well as in third countries and including copyright and neighboring rights clearance with respect to any literary, dramatic, musical or artistic work which has been adapted by the applicant for purposes of the co-production;
  - b) The signed co-production contract, which is subject to the approval of the Competent Authorities;
  - c) The final script;
  - d) A synopsis of the film;
  - e) The budget of the film;
  - f) The plan for financing the film;
  - g) The list of required equipment (technical, artistic or other) and personnel, including nationality of personnel and roles to be played by the performers;
  - h) The production schedule;
  - i) A distribution agreement if one has been concluded.
4. The co-production contract must make provision for the following issues:
  - a) The title of the film, even if provisional;
  - b) The name of the writer or the person responsible for adapting the subject if it is drawn from literary source;
  - c) The name of the director (a safety clause is permitted for his replacement, if necessary);
  - d) The amount of the financial contributions of the co-producers;
  - e) The financial undertakings of each producer in respect of the percentage apportionment of expenditures with regard to development, elaboration, production and postproduction costs up to the creation of the answer print;
  - f) The distribution of revenue and profits including the sharing or pooling of markets;
  - g) The respective participation of the co-producers in any costs, which exceed the budget, or in the benefits from any savings in the production cost;

h) Allocation of intellectual property rights in a co-production film, including ownership and licensing thereof;

i) A clause in the contract must recognize that the approval of the film, entitling it to benefits under the agreement, does not obligate the Competent Authorities of either Party to permit the public screening of the film. Likewise, the contract must set out the conditions of a financial settlement between the co-producers in the event that the Competent Authorities of each Party refuse to permit the public screening of the film in either country or in third countries;

j) Breach of the co-production contract;

k) A clause, which requires the major co-producer to take out an insurance policy covering all production risks;

l) The approximate starting date of shooting;

m) The production schedule;

n) The manner in which the co-production shall be entered in international festivals;

o) Other provisions required by the Competent Authorities.

5. The co-producers will provide any further documentation and information that the Competent Authorities deem necessary in order to process the co-production application or in order to monitor the co-production or the execution of the co-production agreement.

6. Material provisions in the original co-production contract may be amended subject to prior approval by the Competent Authorities.

7. The replacement of a co-producer is subject to the prior approval by the Competent Authorities.

8. The participation of a producer from a third country in the co-production is subject to the prior approval of the Competent Authorities.

9. The Competent Administrations will keep each other informed of their decisions.