AGREEMENT entered into at Québec, on December 17, 2014.

BETWEEN: THE MINISTER OF CULTURE AND COMMUNICATIONS

OF QUÉBEC, Mme Hélène David, for and in the name of

the Government of Québec;

(hereinafter "the Minister")

AND:

THE MOTION PICTURE ASSOCIATION OF AMERICA, INC. AND ITS MEMBERS, herein acting and represented by Mr. Christopher J. Dodd, Chairman and Chief Executive Officer of the Association, duly authorized to act for these purposes as he so declares;

(hereinafter "M.P.A.A." and "Members", respectively)

WHEREAS the Minister of Culture and Communications of Québec is responsible for the elaboration and application of the film policy of the Government of Québec, as provided in the Cinema Act (R.S.Q. c. C-18.1);

WHEREAS the National Assembly of Québec has manifested its will by the Cinema Act (R.S.Q. c. C-18-1) to ensure the development of a healthy film industry in Québec;

WHEREAS the Minister of Culture and Communications of Québec considers that Québec film distributors must have access to films originating from all parts of the world;

WHEREAS the Minister of Culture and Communications of Québec and the Motion Picture Association of America, Inc. (M.P.A.A.) have agreed to enter into an agreement concerning the distribution of video material for home use:

WHEREAS section 105.3 of the Cinema Act (R.S.Q. c. C-18.1) empowers the Minister of Culture and Communications of Québec to enter into an agreement with the M.P.A.A., concerning the distribution of video material;

WHEREAS on October 22, 1986, an initial agreement was signed with the Motion Picture Export Association of America (M.P.E.A.A.), now known as the Motion Picture Association, a subsidiary of the M.P.A.A.;

WHEREAS the Parties to this agreement agreed to extend this initial agreement until January 31, 1992;

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WHEREAS a second agreement was signed on January 20, 1992 to end at midnight on December 31, 1999;

WHEREAS a third agreement was signed on December 10, 1999 to end at midnight on December 31, 2001 and the Parties agreed to extend this third agreement until January 31, 2002;

WHEREAS a fourth agreement was signed on January 29, 2002 to end at midnight on January 31, 2006 and the Parties agreed to extend this fourth agreement until January 31, 2008.

WHEREAS a fifth agreement was signed on January 28, 2008 to end at midnight on January 31, 2013 and the Parties agreed to extend this fifth agreement until January 31, 2015.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

 No video material of a film produced in the French language shall be distributed in Québec by a Member.

For the purposes of this agreement, any print of a film recorded on a video cassette, a video disc, a DVD or any other similar medium constitutes video material.

- A Member may, however, distribute in Québec video material for a film produced in a language other than French and English where:
  - i. a Member has invested one hundred percent (100 %) of the negative production costs in that film;

or

ii. the Minister of Culture and Communications of Québec has asked the Régie du cinéma du Québec to issue to a Member a special distributor's licence for the distribution of the video material of a film.

Such a request shall be granted at the discretion of the Minister of Culture and Communications of Québec if it is shown to her satisfaction that this request is justified with regard to the importance of the investment made by that Member in this film.

- 3. For a film produced in the English language, a Member may distribute in Québec video material for which it holds the distribution rights for Canada and the United States.
- 4. Notwithstanding paragraphs 2 and 3, a Member shall not distribute in Québec video material of a film for which distribution rights for public presentation belong to a holder of a general distributor's licence, unless there is a specific agreement between this holder and the Member.

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- 5. Any Member may distribute in Québec video material for the films of another Member provided that one or both of them together meet the criteria established in paragraph 3 of this agreement.
- 6. Only the Members in good standing of the M.P.E.A.A. as of January 1, 1987 may benefit from this agreement.
- 7. "Member" or "Member in good standing" also includes its successors, its subsidiaries, entities under its direct or indirect control, entities belonging to the same control group, and any other entity continuing the distribution business on an original Member.
- 8. This agreement shall be valid from February 1, 2015 until January 31, 2020. It shall be renewed for an additional two year period unless one of the Parties notifies the other Party no later than January 31, 2019 of its intention of not renewing the agreement; in which case, the two Parties agree to begin an agreement renegociation process. In the absence of such notice, the Parties agree to begin the agreement renegociation process no later than January 31, 2021.
- 9. The Parties agree that, in the event that during the term of this agreement they agree to modifications, they will replace this agreement with a new agreement incorporating such modifications.
- 10. The Parties hereby agree to entrust the Régie du cinéma du Québec with the application of this agreement.
- 11. Where a Member fails to execute one or more of its obligations hereunder, as determined by a decision of the Régie du cinéma du Québec and subject to the appeal therefrom provided for in the Cinema Act, the Minister reserves the right to exclude that Member, by means of a written notice to that effect, which notice shall become effective sixty (60) days from the date of its mailing.
- 12. The preamble shall form an integral part of this agreement and is intented to assist in explaining its purport and object.
- 13. In the case of a difference between the French and English texts of this agreement, the French text shall prevail.

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IN WITNESS WHEREOF, THE PARTIES HERETO HAVE EXECUTED THIS AGREEMENT AT THE DATE AND PLACE HEREINABOVE SET FORTH.

THE MINISTER OF CULTURE AND COMMUNICATIONS OF QUÉBEC

HÉLÈNE DAVID

THE MOTION PICTURE ASSOCIATION OF AMERICA, INC. AND ITS MEMBERS

By:

ISTOPHER J. DODE

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