

AGREEMENT

THIS AGREEMENT dated for reference April 1, 2008, is

BETWEEN:

BUSINESS PRACTICES AND CONSUMER PROTECTION AUTHORITY (the
"Authority")

AND

SASKATCHEWAN FILM CLASSIFICATION BOARD ("Saskatchewan")

WHEREAS Saskatchewan is authorized to enter into an agreement for the purpose of adopting and recognizing the approval, disapproval and classification of films by the Authority, the licensing of distributors by the Authority and the sharing of records and information with the Authority;

AND WHEREAS Saskatchewan intends to require distributors of adult films to prove that all adult films distributed in Saskatchewan have been reviewed and approved by the Authority in its capacity as an entity designated with the functions, powers and duties of the Director of Film Classification for British Columbia under the *Motion Picture Act* (British Columbia);

AND WHEREAS the result of these requirements by Saskatchewan will be an increase in the volume of requests by distributors for decals and certificates which may result in increased workload and revenue for the Authority.

THE AUTHORITY AND SASKATCHEWAN AGREE AS FOLLOWS:

1. in this Agreement

"adult film" means a film which depicts scenes described in the definition of "adult motion picture" in section 1 of the *Motion Picture Act* and as set out in Schedule "A";

"distributor" means a retail or wholesale distributor as such terms are defined in the *Film and Video Classification Act* (Saskatchewan) who wishes to:

- a) submit films for approval and classification to the Authority,
- b) submit adult films for approval to the Authority, or
- c) order decals for copies of adult films from the Authority;

"film" means a motion picture in any pre-recorded format or devices and includes a "film" as that term is defined in section 1 of the *Motion Picture Act* and as set out in Schedule "A";

"implementation date" means April 1, 2008.

THE AUTHORITY'S OBLIGATIONS

2. The Authority, for the fees described in paragraph 2 of Schedule "B", will provide a distributor who has submitted to the Authority a film for review and classification under Section 2(1) of the *Motion Picture Act*, with a certificate of classification "Saskatchewan Certificate" indicating the classification the Authority has given to that film and indicating that such film has been classified in accordance with this Agreement and under section 10(1) of the Saskatchewan Film and Video Classification Regulation. The Authority will use the classification categories set out in Section 3 of the *Motion Picture Act Regulations* (British Columbia) and attached to this Agreement as Schedule "C".

3. The Authority may, in respect to an adult film submitted to the Authority by a distributor for review and approval under Section 3(1) of the *Motion Picture Act*, approve or refuse to approve the adult film or require the removal of any portion of an adult film in accordance with section 5(3) through (6) of the *Motion Picture Act* attached to this Agreement as Schedule "D". If an adult film is approved, the Authority will on payment of the fees described in paragraph 2 of Schedule "B" provide the distributor with decals to attach to copies of the approved adult film.
4. The Authority will, in respect of applications made by applicants from the Province of Saskatchewan, review applications for adult film distributor, motion picture distributor and video distributor licences under the *Motion Picture Act*, and issue or refuse to issue licences. The Authority will notify Saskatchewan immediately of licensing actions taken against adult film distributors, motion picture distributors and video distributors licensees under the *Motion Picture Act*, including suspension, cancellation or imposing of conditions on licenses.
5. The Authority will pay Saskatchewan the amounts set out in Schedule "B".
6. The Authority will provide to Saskatchewan annually:
 - a) a report indicating the numbers and titles of films submitted by each distributor for classification and the total fees collected from each distributor by the Authority for issuing certificates of classification, and
 - b) a report indicating the number of decals that have been ordered by each distributor for every approved adult film and the total fees paid by each distributor for decals.
7. The Authority will provide Saskatchewan with reasonable access to the following:
 - a) a list of adult film titles which have been approved,
 - b) a list of adult film titles which have not been approved,
 - c) a list of films that have been classified by the Authority and what classification has been given to each film.
8. On request from Saskatchewan, the Authority will provide to Saskatchewan a current list of films submitted by a distributor and the classification given to those films and the current list of adult films submitted by a distributor and information on whether or not the adult film has been approved.

SASKATCHEWAN'S OBLIGATIONS

9. Saskatchewan will designate a person to work with the Authority on enforcement practices.
10. Saskatchewan will provide the Authority with access to all its records of inspections and enforcement actions taken.

TERM

11. This Agreement will commence on the implementation date and is in effect for a term of five years from that date, provided that it may be extended on such terms and conditions as the parties may agree to for additional terms of up to 4 years each.

REVIEW CONDITIONS

12. The Authority and Saskatchewan agree that the fees and amounts described or set out in Schedule "B" will be in effect for the term of the Agreement.

TERMINATION CONDITIONS

13. Either Saskatchewan or the Authority may terminate this Agreement for any reason by giving six

months written notice of termination to the other party.

14. A party may terminate this Agreement by giving one month's written notice to the other in the event that the other party has failed to comply with this Agreement after having been given written notice of, and a reasonable opportunity (being not less than 30 days) to remedy, the failure.
15. If this Agreement is terminated, each party will pay to the other any outstanding amount owing to the other and upon such payments being made, the parties will have no further obligations to each other under this Agreement.

GENERAL

16. This Agreement is conditional upon, and subject to, the approval of the Saskatchewan Lieutenant Governor in Council.
17. This Agreement is governed by and is to be construed in accordance with the laws of British Columbia.
18. Time is of the essence in this Agreement.
19. To be effective any notice contemplated by this Agreement must be in writing and be sent by fax, e-mail, courier or registered mail to the address below or to the current location if different from that below.

TO THE AUTHORITY: Business Practices & Consumer Protection Authority
PO Box 9244
Victoria, BC V8W 9J2

Attention: President & Chief Executive Officer

FAX number: 250.920.7181
E-Mail address: info@bpcpa.ca

TO SASKATCHEWAN: Saskatchewan Film Classification Board
1919 Saskatchewan Drive, Suite 500
Regina, SK S4P 4H2

Attention: Chairperson

FAX number: 306-787-9779
E-Mail address: consumerprotection@justice.gov.sk.ca

20. Either of the parties may give notice to the other of a substitute address, fax number or email address from time to time.
21. A waiver of any term of this Agreement or of any breach by either party of this Agreement is effective only if it is in writing and is not a waiver of any other term or any other breach.
22. No modification of this Agreement is effective unless it is in writing and signed by the parties.
23. This Agreement and any modification of it constitute the entire Agreement between the parties.
24. All disputes arising out of or in connection with this Agreement, or in respect of any defined legal relationship associated with it or derived from it, unless the parties otherwise agree, must be referred to and finally resolved by arbitration conducted under the *Commercial Arbitration Act* (British Columbia) in accordance with the Domestic Arbitration Rules of Procedure of the British

Columbia International Commercial Arbitration Centre.

25. The Schedules to this Agreement form part of this Agreement.

The parties have duly executed this Agreement as of the 1st day of April 2008.

SIGNED AND DELIVERED on behalf of the Authority
by an authorized signatory in the presence of:



Witness

MANDIT BAINS
Print Name

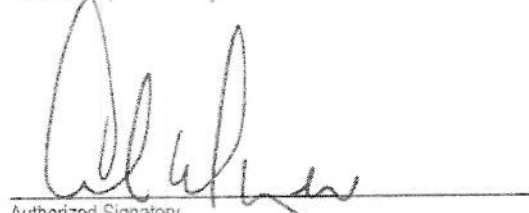
SIGNED AND DELIVERED on behalf of the
Saskatchewan Film Classification Board
by an authorized signatory in the presence of:


Witness

Georgina Carter
Print Name


Authorized Signatory

R.T. BARNETT
Print Name


Authorized Signatory

AL DWYER
Print Name

SCHEDULE "A"

BC Motion Picture Act

"adult motion picture" means any of the following:

(a) a motion picture that was submitted for review under the former Act or under section 2 (1) of this Act for the purpose of exhibition in a theatre and that, following the review,

- (i) was not approved,
- (ii) was approved, but had a portion removed, or
- (iii) was approved, but with a condition that it may only be exhibited in theatres designated by the director;

(b) a motion picture that has not been reviewed under section 5 that depicts

- (i) explicit sexual scenes,
- (ii) the coercing, through the use or threat of physical force or by other means, of a person to engage in a sexual act, if that sexual act is depicted in explicit sexual scenes or sexually suggestive scenes,
- (iii) incest or necrophilia,
- (iv) bondage in a sexual context,
- (v) persons who are or who appear to be under the age of 14 involved in sexually suggestive scenes, whether or not they appear nude or partially nude,
- (vi) persons who are or who appear to be under the age of 18 involved in explicit sexual scenes,
- (vii) explicit sexual scenes involving violence,
- (viii) scenes of brutality or torture to persons or animals, depicted in a realistic and explicit manner, or
- (ix) sexual conduct between a human being and an animal;

(c) a motion picture that contains scenes that depict conduct or an activity that is prescribed in a regulation made under section 14 (2) (d);

"film" means photographic film, pre-recorded video tapes, pre-recorded video discs and includes any other object or device on or within which there is recorded, by photographic, electronic or other means, the contents of a motion picture, and from which, by the use of a projector, machine or other appropriate technology, the motion picture may be viewed, exhibited or projected;

SCHEDULE "B"

1. "Revenue", as used in this schedule, means the amount of revenue received by the Authority in a calendar year from distributors as payment of fees for certificates of classification and for decals for adult films to be distributed in the Province of Saskatchewan.
2. For the purposes of paragraphs 2 and 3 of this Agreement, the Authority will charge distributors fees consistent with Sections 6 and 18(2) of the Saskatchewan Film and Video Classification Regulations in respect of fees for classification and in respect of fees under the *Motion Picture Act* Regulation or as may be established by the Authority under the *Motion Picture Act* Regulation for decals.
3. The Authority will pay to Saskatchewan one-half of the Revenue.
4. The payment in paragraph 3 of the Schedule will be paid not less than 120 days following the end of each calendar year.
5. All payments will be payable to the Minister of Finance and will be sent to:

Registrar
Saskatchewan Film Classification Board
1919 Saskatchewan Drive, Suite 500
Regina, SK S4P 4H2

SCHEDULE "C"

BC Motion Picture Act Regulations

Classification

3. On approving a motion picture submitted under section 2(1) of the Act, the director must classify the motion picture into one of the following categories:
 - (a) **General** — Suitable for viewing by persons of all ages. Occasional violence, swearing and coarse language, and the most innocent of sexually suggestive scenes and nudity, are permitted in this category.
 - (b) **Parental Guidance** — Parental guidance advised. Theme or content may not be suitable for all children although there is no age restriction. Motion pictures in this category may contain less subtle sexually suggestive scenes and nudity and a more realistic portrayal of violence than in the General category; coarse language may occur more often than in the General category.
 - (c) **14A** — Suitable for persons 14 years of age or older. Persons under 14 years of age must view these motion pictures accompanied by an adult. Motion pictures in this category may contain violence, coarse language or sexually suggestive scenes, or any combination of them.
 - (d) **18A** — Persons under 18 years of age must view these motion pictures accompanied by an adult. Motion pictures in this category will contain horror, explicit violence, frequent coarse language or scenes that are more sexually suggestive than in the 14A category, or any combination of them.
 - (e) **Restricted** — Restricted to persons 18 years of age and over. Persons under 18 years of age are not permitted to attend under any circumstances. These motion pictures are "adult motion pictures" as defined in the Act, and may contain explicit sexual scenes, violence or scenes referred to in section 5 (3) of the Act, or any combination of them. The director will assign this classification to motion pictures if the director considers that the theme, subject matter or plot of the adult motion picture is artistic, historical, political, educational or scientific.
 - (f) **Adult** — Restricted to persons 18 years of age and over. Persons under 18 years of age are not permitted to attend under any circumstances. These motion pictures are "adult motion pictures", as defined in the Act, and may contain explicit sexual scenes or scenes of brutality or torture to persons or animals, or any combination of them, that are portrayed in a realistic and explicit manner, however, the scenes would, in the director's opinion, be tolerable to the community.

SCHEDULE "D"

BC Motion Picture Act

Examination and classification of films

- 5 (1) On receipt of the prescribed fee, the director must ensure that every motion picture and adult motion picture submitted to the director for approval under section 2 (1) or 3 (1) is reviewed, and every motion picture is classified, in accordance with this Act and the regulations.
- (2) Despite the *Financial Administration Act*, if the director considers it to be in the public interest, the director may waive payment of the prescribed fee.
- (3) Subject to subsection (5), the director must, before approving a motion picture submitted under section 2 (1) or 3 (1), remove or require the removal of, by erasure or otherwise, any portion of it that depicts any of the following:
- (a) coercion, through the use or threat of physical force or by other means, of a person to engage in a sexual act, if the sexual act that was coerced is depicted in explicit sexual scenes;
 - (b) incest or necrophilia;
 - (c) bondage in a sexual context;
 - (d) persons who are or who appear to be under the age of 14 involved in sexually suggestive scenes, whether or not they appear nude or partially nude;
 - (e) persons who are or who appear to be under the age of 18 involved in explicit sexual scenes;
 - (f) explicit sexual scenes involving violence;
 - (g) scenes of brutality to or torture, maiming or dismemberment of persons or animals that are portrayed with such a degree of reality and explicitness that the scenes would, in the director's opinion, be intolerable to the community;
 - (h) sexual conduct between a human being and an animal;
 - (i) conduct or an activity that is prescribed in a regulation made under section 14 (2) (f).
- (4) Subject to subsection (5), the director must not approve of a motion picture submitted under section 2 (1) or an adult motion picture submitted under section 3 (1) if the motion picture or the adult motion picture predominantly consists of any, or a combination of, scenes referred to in subsection (3) (a) to (i).
- (5) The director is not required to remove material under subsection (3) or refuse approval of a motion picture or adult motion picture under subsection (4) if the director considers that the theme, subject matter or plot of the motion picture or adult motion picture is artistic, historical, political, educational or scientific.
- (6) If the director reviews a motion picture under subsection (1), the director must, unless the director takes action under subsection (3) or (4),
- (a) approve the motion picture, and
 - (b) if the motion picture is intended to be exhibited in a theatre, classify the motion picture in accordance with the regulations made under section 14 (2) (c).
- (7) The director may impose conditions on the approval of a motion picture submitted under section 2 (1) including conditions
- (a) respecting the use and exhibition of it,
 - (b) imposing age restrictions on the attendance by minors at theatres where the motion picture will be exhibited,
 - (c) that any advertising material in connection with the exhibition of the motion picture be submitted to the director for approval, and
 - (d) that the classification designation of the motion picture and warnings, having a content specified by the director, be placed on all advertising material in the manner specified by the director.
- (8) On approving an adult motion picture submitted under section 3 (1), the director may
- (a) require that a copy of the adult film be deposited with the director, and
 - (b) attach conditions to the approval including the conditions referred to in subsection (7) (c) and (d).

ADDENDUM

THIS ADDENDUM dated for reference April 1, 2013.

The Agreement, which commenced on April 1, 2008, is in effect until April 1, 2013. Further to section 11, the parties agree to extend this agreement for an additional term of 4 years until April 1, 2017.

The following amendment is in place for the purposes of this addendum.


Item 4 of SCHEDULE "B" is amended to

*4. The payment in paragraph 3 of the Schedule will be paid not less than **180** days following the end of each calendar year.*

The parties have duly executed this Addendum as of the 1st day of April 2013.

SIGNED AND DELIVERED on behalf of the Authority by an authorized signatory in the presence of:


Witness



Authorized Signatory

TAYL WAINWRIGHT V.P.
Print Name

SCOTT McBRIDE CEO.
Print Name

SIGNED AND DELIVERED on behalf of the Saskatchewan Film Classification Board by an authorized signatory in the presence of:

Brenda Brandsgard
Witness


Authorized Signatory

Brenda Brandsgard
Print Name

ERIC GREENE
Print Name