

AGREEMENT

THIS AGREEMENT dated for reference May 16, 2018, is

BETWEEN:

Business Practices and Consumer Protection Authority ("Consumer Protection BC")

AND

Government of Manitoba ("Manitoba")

WHEREAS

- A. Consumer Protection BC, under an agreement with the BC Ministry of Public Safety and Solicitor General, administers in the public interest the *Motion Picture Act* RSBC 1996 c. 314 as amended and Regulations (the "*Motion Picture Act*");
- B. Consumer Protection BC provides film classification information for industry and consumers in BC, as well as the Province of Saskatchewan through an administrative agreement;
- C. Manitoba intends to require distributors of motion pictures intended for exhibition in theatres in Manitoba to prove that those films have been reviewed and classified by Consumer Protection BC in its capacity as an entity designated with the functions, powers and duties of the Director of Motion Picture Classification for British Columbia under the *Motion Picture Act* ("the Director of Motion Pictures");
- D. Manitoba intends to require distributors of adult films to prove that all adult films distributed in Manitoba have been reviewed and approved by Consumer Protection BC in its capacity as an entity designated with the functions, powers and duties of the Director of Motion Pictures for British Columbia under the *Motion Picture Act*.

CONSUMER PROTECTION BC AND MANITOBA 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*.

"distributor" means a motion picture distributor as defined in the *Motion Picture Act*;

"film" means a motion picture in any pre-recorded format as defined in the *Motion Picture Act* including a feature film;

"implementation date" means July 1, 2018.

CONSUMER PROTECTION BC'S OBLIGATIONS

2. Consumer Protection BC, for the fees described in paragraph 2 of Schedule "A," will provide a distributor who has submitted to Consumer Protection BC a film for review, under Section 2(1) of the *Motion Picture Act*, with a certificate of classification "Manitoba Certificate" indicating the classification Consumer Protection BC has given to that film and indicating that such film has been classified in accordance with this Agreement.
3. Consumer Protection BC will use the classification categories set out in Section 3 of the *Motion Picture Act* Regulations attached to this Agreement as Schedule "B" and as may be amended from time to time.
4. Consumer Protection BC may, with respect to approved adult films, and on payment of the fees described in paragraph 2 of Schedule "A", provide a distributor with decals to attach to copies of the approved adult film.
5. Consumer Protection BC will pay Manitoba the amounts set out in Schedule "A."
6. Consumer Protection BC will provide to Manitoba annually:
 - a. A report indicating the numbers and titles of films submitted by each distributor for classification and;
 - b. the total fees collected from each distributor by Consumer Protection BC for issuing certificates of classification.
7. Distributors of motion pictures and adult films licensed by Consumer Protection BC will be deemed licensed in Manitoba for the duration of this Agreement.
8. Consumer Protection BC, upon request, will provide Manitoba with a current list of licensed distributors.

TERM

9. This Agreement will commence on the implementation date and is in effect for a term of two 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

10. Consumer Protection BC and Manitoba agree that the fees and amounts described or set out in Schedule "A" will be in effect for the term of the Agreement.

TERMINATION CONDITIONS

11. Either Manitoba or Consumer Protection BC may terminate this Agreement for any reason by giving six months written notice of termination to the other party.
12. 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.

13. 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

14. This Agreement is governed by and is to be construed in accordance with the laws of British Columbia and Manitoba.
15. Time is of the essence in this Agreement.
16. 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.

Consumer Protection BC

Consumer Protection BC
Attention: President and Chief Executive Officer
200 - 4946 Canada Way
Burnaby BC V5G 4H7
Fax: 604.320.1655
Email: classadmin@consumerprotectionbc.ca

Manitoba

Jeffrey Conquergood
A/Executive Director, Administration & Finance
Sport, Culture & Heritage
3 - 213 Notre Dame
Winnipeg MB R3B 1N3
Fax: 204.948.2086

17. Either of the parties may give notice to the other of a substitute address, fax number or email address from time to time.
18. 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.
19. No modification of this Agreement is effective unless it is in writing and signed by the parties.
20. This Agreement and any modification of it constitute the entire Agreement between the parties.
21. 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 *Arbitration Act* (British Columbia) in accordance with the Domestic Arbitration Rules of Procedure of the British Columbia International Commercial Arbitration Centre.

22. The Schedule to this Agreement forms part of this Agreement.

This Agreement has been executed by the parties as of the date first written above.

SIGNED AND DELIVERED on behalf of Consumer Protection BC by an authorized signatory:



Robert Gialloroto
President & CEO



Witness, Tayt Winnitoy
Executive Vice President

SIGNED AND DELIVERED on behalf of the Government of Manitoba by an authorized signatory:



Jeffrey Conquergood
A/Executive Director, Administration & Finance
Sport, Culture & Heritage
Government of Manitoba



Witness

SCHEDULE "A"

1. "Revenue," as used in this schedule, means the amount of revenue received by Consumer Protection BC in a calendar year from distributors as payment of fees for certificates of classification under this agreement.
2. Consumer Protection BC will charge distributors fees consistent with the fees set by Manitoba in respect of classification.
3. Consumer Protection BC will pay Manitoba all of the fees established by Manitoba.
4. Consumer Protection BC will retain \$220 for each Manitoba classification certificate it generates for every film.
5. Consumer Protection BC will pay to Manitoba one-half of the Revenue collected for Adult decal sales where those decals are distributed to Manitoba.
6. The payment in paragraph 3 will be paid not less than 180 days following the end of each calendar year.
7. All payments to Manitoba will be sent to

Manitoba Sport Culture and Heritage
Administration and Finance
3 - 213 Notre Dame Ave
Winnipeg, Manitoba R3B 1N3
Fax: (204) 945-2233

SCHEDULE "B"

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.