

Should the film so require, the participation of performers who are not citizens of one of the co-producing countries may be permitted, but only in exceptional circumstances, and subject to agreement between the competent authorities of both countries. However, foreign performers who are normally resident and employed in Canada or Italy may, in exceptional circumstances, take part in co-production as residents of one or the other of the said countries.

#### ARTICLE 4

The respective contributions of the producers of the two countries may vary from thirty (30) to seventy (70) per cent for each film, the minority participation being not less than thirty per cent of the production cost of the film.

At yearly intervals, the competent authorities of both countries may agree jointly on a minimum budget for films qualifying for the benefits of co-production.

The minority co-producer shall be required to make an effective technical and creative contribution. In principle, the contribution of the minority co-producer in creative staff, technicians and actors shall be in proportion to his financial contribution and in any case his creative and technical contribution shall include at least one author, one technician, one performer in a leading role and one performer in a supporting role.

Departures from the provisions of the foregoing paragraph may be made jointly by the competent authorities of both countries, but a Canadian director or an Italian director shall be employed in any co-production.

#### ARTICLE 5

The parties to this Agreement look favourably upon the co-production of films meeting international standards by Canada, Italy and countries to which the said parties are respectively bound by co-production agreements.

The conditions of acceptance for such films shall be determined in each case.

The competent authorities of both countries shall determine each year the minimum budget for multilateral co-productions.

No minority contribution to such films shall be less than twenty (20) per cent of the budget. The creative and technical contributions shall conform to this percentage.

#### ARTICLE 6

There shall be an overall balance in the creative, technical and financial contributions of the co-producing countries.

This balance shall be subject to examination annually by the Joint Commission referred to in Article 18.

The balance of the various contributions shall also be examined by the aforementioned Joint Commission after the production of four films pro-