

shall be made in a laboratory in that country. Each co-producer shall be entitled to make the necessary copies for his own market. Any departure from this principle must be justified by technical reasons.

ARTICLE VII

(1) In principle, receipts shall be allocated in proportion to the financial contribution of each co-producer.

(2) Subject to the approval of the competent authorities, this allocation may consist in a sharing of the receipts, or a division of territory, or a combination of both.

(3) In principle, the majority co-producer shall be responsible for the export of co-produced films. Should difficulties arise in a particular country, the co-producer with the best possibility of arranging for export to that country shall assume this responsibility. Each export contract concluded by a producer shall require the approval of the other in accordance with the conditions and time limits laid down in the co-production contract.

ARTICLE VIII

(1) Title credits and advertisement material for films co-produced under this Agreement shall indicate that the film is a co-production between the two countries.

(2) Unless the co-producers agree otherwise, a co-produced film shall be shown at film festivals as an entry of the majority co-producer or, if the financial contributions are equal, by the co-producer who provides the director.

ARTICLE IX

(1) The competent authorities shall, within the scope of this Agreement, accept as co-productions, films which are to be produced jointly by producers from Canada, the Federal Republic of Germany and from countries to which either of the two is bound by co-production agreements; in such cases, the provisions of Article IV (1) and Article V of this Agreement shall apply *mutatis mutandis*.

(2) The financial contribution of a minority co-producer made in a film pursuant to sub-section (1) of this Article may be reduced to twenty (20) per cent. In such cases, his artistic and technical contributions must meet the requirements of Article V (2) of this Agreement.

ARTICLE X

(1) The co-production of short films may be approved by the competent authorities after study of each proposal.