

duced under the present Agreement. In the event that a meeting of the Joint Commission cannot be arranged, the competent authorities of both countries may jointly take such steps as would eventually be necessary to maintain the balance of the various contributions.

The balance of transfer payments shall also be checked annually; compensation for any imbalance should be arranged subsequently according to the regulations in force in each country.

ARTICLE 7

The co-production of short films shall be subject to authorization by the competent authorities of both countries upon examination of each case.

For the purpose of this Agreement, a short film means a film of which the subject matter is mainly of a cultural nature and the length of which exceeds 300 metres but does not exceed 1,600 metres in the case of 35 mm. film; where the film width is other than 35 mm., the minimum and maximum lengths shall be adjusted proportionally.

Financial contributions to the co-production of short films shall be balanced. The conditions governing the balance of creative and technical contributions shall be determined jointly by the competent authorities of both countries at yearly intervals.

ARTICLE 8

Two negatives or at least one negative and one duplicate negative shall be made of all co-produced films. Each co-producer shall be the owner of a negative or duplicate negative and shall be entitled to make a further duplicate or prints therefrom. Moreover, each co-producer shall be entitled to use the original negative in accordance with the conditions agreed upon between the co-producers themselves.

Two versions shall be made of any co-produced film; such versions may be either in English and in Italian or in French and in Italian.

ARTICLE 9

The two contracting parties shall facilitate the temporary entry and the re-export of any film equipment necessary for the production of films under this Agreement. Each contracting party shall permit the creative and technical staff of the other party to enter and reside on its territory, without any restriction, for the purpose of participating in the production of these films.

ARTICLE 10

The minority co-producer shall pay any balance outstanding on his contribution to the majority co-producer within sixty (60) days following delivery of all the materials required for the production of the version of the film in the language of the minority country.

Failure to meet this requirement shall entail the loss of the benefits of the co-production.