

<b>NECESSARY PROVISIONS IN A COPRODUCTION AGREEMENT UNDER THE TREATY WITH HONG KONG SPECIAL ADMINISTRATIVE REGION OF THE PEOPLE'S REPUBLIC OF CHINA</b>
The title of the co-production.
The name of the author of the script, or the adapter if it is drawn from a literary source.
The name of the director (a substitution clause is permitted to provide for his replacement if necessary).
The budget.
The financing plan.
A clause establishing the sharing of revenues, markets, media or a combination of these.
A clause detailing the respective shares of the co-producers in any overexpenditure or underexpenditure, which shares should in principle be proportional to their respective contributions, although the minority co-producer's share in any overexpenditure may be limited to a lower percentage or to a fixed amount provided that the minimum proportion permitted under Section 6 of the Memorandum is respected.
A clause recognizing that admission to benefits under this Memorandum does not constitute a commitment that the government authorities of either Participant will grant a licence to permit public exhibition of the co-production.
A clause prescribing the measures to be taken where: <ul style="list-style-type: none"> <li>a. after full consideration of the case the competent authorities of either Participant refuse to grant the benefits applied for;</li> <li>b. the competent authorities prohibit the exhibition of the coproduction in either Participant or its export to a third party;</li> <li>c. either Participant fails to carry out its duties.</li> </ul>
The period when shooting is to begin.
A clause requiring the majority co-producer to take out an insurance policy covering at least "all production risks" and "all original material production risks".
A clause providing for the sharing of the ownership of copyright on a basis which is proportional to the respective contributions of the coproducers.

**THE FOLLOWING MUST ALSO BE INCLUDED IN THE COPRODUCTION AGREEMENT**

- Date
- Names of Coproducing companies (if different from application, assignment of rights required)
- Treaty adherence clause
- Exchange rates