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28-12-73 )  
VOLCANO PROJECT AGREEMENT

1) Negotiations are under way to acquire the cinematographic rights to the novel "Under the Volcano" written by Malcolm Lowry, in order to establish the PROJECT, (conformed by the rights of the novel, screenplay, production schedule, etc.), for the production of a motion picture based on this novel, to be sold to a third party.

2) The screenplay will determine the castings, locations, - shooting schedule, etc., and the estimated cost of production, to conform the PROJECT to be promoted and sold. It is estimated that from this sale, a profit of a minimum of 50,000 dollars will be obtained.

3) The estimated cost of the PROJECT is 200,000 dollars, as is shown in the forecast attached herewith as annex A.

4) 130,000 dollars expenditures for one year are needed initially. This amount will be invested by the participants in the present agreement, as shown in annex A.

5) The remaining 70,000 dollars would be obtained from the sale of the PROJECT or will be properly financed for approximately one additional year (total estimated time of this business is two years).

6) In all matters, business and legal acts and any other performance necessary or convenient for the promotion and sale of the PROJECT, I will act in my own name, as the investors representative.

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7) At the time of the sale of the PROJECT a profit and loss statement will be issued, to be distributed in the following order:

a) Payment of any outstanding debts; reimbursement of the

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130,000 dollars originally invested; the profit to be distributed in proportion of each individual investment of the total of 130,000 dollars.

b) If there is no profit, the loss will be paid from the reimbursement of the original 130,000 dollars invested, up to the amount of each individual investment.

8) I will report the development of the PROJECT, and if necessary, meetings with all the investors will be held periodically.

9) This agreement is made and entered into as of this 28th day of December 1973 in the city of New York, and shall in all respects be governed by and construed in accordance with the laws of the state of New York applicable to contracts made and entirely performed therein.

Serge Fey  
Serge Fey

Anita Pandolfi

Berta Navarro de Leduc

Luis Barroso

Alfonso Madrigal Nieto

Volcano Project Agreement - Estimated Cost

1974 - 1975 USA dollars

(4)

Item	Total	1974		1975		
		May	Jun/Sep	Oct/Dec	Jan/Apr	May/Oct
Novel's rights	100,000	40,000		30,000		30,000
Lawyer's fees	10,000		10,000			
Office expenses	10,000		2,500	2,500	5,000	
Travel	10,000			5,000	5,000	
Screenplay	70,000			35,000		35,000
<b>Total</b>	<b>200,000</b>	<b>40,000</b>	<b>12,500</b>	<b>72,500</b>	<b>10,000</b>	<b>65,000</b>

Participants Investment:

Anita Pandolfi	25,000
Bertha Navarro	6,000
Alfonso Madrigal	32,000
Luis Barranco	32,000
Serge Pay	35,000
	<u>130,000</u>

Serge Pay

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Bertha Navarro J. B.N.

AP  
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