BARRANDOV STUDIO

BUSINESS TERMS AND CONDITIONS Barrandov Studio a.s.
Registered address: Prague 5 - Hlubočepy, Kříženeckého nám. 322/5, PSČ 152 00
Identification No.: 281 72 469, as recorded in the Commercial Register administered by the Municipal Court in Prague under Section B, File No. 12502

Article I. General Provisions

(1) These Business Terms and Conditions (hereinafter referred to as the "Terms and Conditions") of Barrandov Studio a.s. (hereinafter referred to as the "Company") establish the provisions for the standard business relationships between the Company and a lessee, a commissioning party or any other contractual partner (hereinafter referred to as the "Client").
Any provisions, negotiated in an individual contract that differ from those specified in these Terms and Conditions, take precedence.

(2) The conclusion of an agreement in any form, e.g. in writing, orally, as a result of the taking over of equipment or facilities, on the basis of a fee being paid, or based on any other conclusive demonstration of will, are considered to be the unconditional acceptance of these Terms and Conditions.

(3) The Client undertakes to not act in conflict with generally binding legal regulations whilst ensuring contractual performance. If illegal behavior on the part of the Client results in the Company suffering any damages, the Client is obliged to pay the Company the full amount of compensation for these damages as calculated by the Company.

(4) The Client is aware that any creative work completed by the Company's employees is protected by copyright laws.

(5) The prices that have been established by the Company are contractual. Indicative prices are specified in the Company's pricelist.

(6) The Company reserves the right to change the prices and specifications published in the catalogue of rental equipment, facilities and services at any time and without prior notification, however any such changes will not affect any contract that is valid and effective at the time the change is made.

(7) The Company reserves the right to request the Client to provide evidence of solvency and other documentation relevant to the contractual relationship.
In the case of a Czech entity, the required documentation consists of an excerpt from the Commercial Register, a Power of Attorney, a Trade License, and others. It is possible that the Client will be requested to provide a legal or financial guarantee, particularly, but not only in the form of an advance deposit, advanced payment or security. It is possible to request the guarantee respectively or in an arbitrary combination. The company stipulates a right to request comparable documentation, certification in case of a foreign entity. In case that Czech Republic doesn´t have a legal assistance contract concluded with the foreign entity's domicile country, the required documents must be superlegalized.

Article II. Ownership Rights

(1) All rented items remain in the Company's ownership. The Client cannot transfer a rented item to a third party for their own use or benefit without obtaining the Company's written consent beforehand. If the Client commits any breach of this obligation, the Company is entitled to withdraw from the contract and to request compensation for any damages suffered by the Company as the result of any such actions performed without prior written consent.

(2) Any charges that could be placed against the rented item, e.g. insurance collateral, liens, retention or any other encumbrance, material or other third person rights, are ineffective with regard to the Company. The Client is obliged to compensate the Company for any damages suffered by the Company as a result of the unauthorized manipulation of the item in question and to reimburse any expenses incurred by the Company for the purpose of exercising its rights.

(3) At the time a court-ordered decision or collection order affecting the rented item is enforced, the Client is obliged to make the Company's continuing ownership of the item clear to the appropriate parties and organizations. Furthermore, the Client must advise the Company of the situation without delay by telephone and subsequently in writing. The Client will bear the burden of all expenses incurred by the Company in order to protect its ownership rights and in relation to any damages the Company suffers as a result of the item being removed from use.

(4) The removal or concealment of the Company's signs and labels on rented items is not allowed. If a breach of this obligation is committed, the Client is obliged to pay the Company a contractual penalty of CZK 50,000.00 for each individual occurrence.

(5) If the Client intends to reinstall or store any rented items currently installed at a fixed location elsewhere, the Company's written consent must be obtained beforehand.

(6) Any film, recording tape, equipment, material and other property belonging to the Client and left in the Company's possession is subject to the right of lien for the purpose of securing any of the Client's outstanding debts to the Company.

Article III. Authorized Individuals

Statutory body of the Company is the Board of Directors. Only two members of the Board of Directors together are entitled to represent Company externally and to bind Company with obligations. Other representatives may be authorized to act on their behalf by means of a written power of attorney.

Article IV. Contractual Provisions for the Rental of Equipment

(1) The Client's Rights and Obligations

a) During the entire rental period, the Client is obliged to ensure that the rented equipment is handled appropriately and professionally and in compliance with generally binding legal regulations.

b) The Client is obliged to take due and proper care of all items entrusted thereto and to ensure that they are properly maintained, stored appropriately and kept in a securely locked place when not in use. Furthermore, the Client is obliged to allow the Company's representatives access to the aforementioned items during working hours or at any other time agreed in advance for the purpose of inspecting their condition.

c) The Client is obliged to obtain all the necessary permits and approvals associated with the use of the equipment or the provision of staff or services, and will not use the equipment or allow it to be used in conflict with the generally binding legal regulations that are effective at that time in the country where the equipment is used or operated.

d) The Client is obliged to handle the equipment during its operation in a manner that is safe and does not pose any risk to health in accordance with the legal regulations governing occupational safety and health.

e) At the end of the rental period, the Client is obliged to return the rented item to the Company in the same condition in which it was received. Normal wear and tear will be taken into consideration.

f) In the event of the loss, theft, or damage of the rented item, the Client is obliged to notify the Company immediately of this fact by telephone and to subsequently submit written notification within a period of three days from the event. The Client undertakes to compensate the Company in full for any such damages within thirty days from the date on which they occur.

g) When moving about the Company's premises, the Client and any persons working in cooperation with the Client are obliged to follow all applicable traffic signs and regulations and to act in compliance with the operational rules in effect at the Company's premises.

h) The Client understands that no works supporting or promoting fascism, communism or any other movements encouraging racial, religious or other hatred can be created at the rented premises. The same rule applies to works that are pornographic in nature and to works that lower human dignity. If a breach of this contractual provision is committed, the Company has the right to demand payment of a contractual penalty of CZK 1,000,000 for each individual breach.

i) The Client is aware that taking photographs is forbidden on all of the Company's premises. Only the representatives of the Company's Sales and Marketing Department are allowed to grant an exception to this rule.

(2) The Company's Rights and Obligations

The Company is authorized to take any steps necessary to protect its property, its good name and its rights:

- if a significant breach of the contractual obligations and these conditions is committed;
- if any of the rental conditions are breached by the Client;
- if any action or neglect on the part of the Client poses a threat to the Company's rights in relation to the ownership or use of the equipment (including any attempt by the Client to sell, loan, transfer, or place lien rights against the equipment);
- if an insolvency petition is filed against the Client or if the Client enters into liquidation proceedings; or
- if the Client does not pay rent or any other amount charged by the Company on the basis of contractual provisions within the designated timeframe after the delivery of an invoice and subsequently does not pay the amount due even after the Company specifies a reasonable additional period of time in a written notice.

Article V. Transport of Equipment

(1) The Client will pay all of the costs associated with the transport of the equipment. This provision applies to all cases, irrespective of whether the transport is arranged by the Company, the Client or a third party.

(2) The Company must provide its written consent for the transport of equipment abroad and the Client must conclude special supplemental insurance that is valid abroad in accordance with the Company's binding written instructions.

(3) The Client will arrange and complete customs clearance proceedings and will pay all of the associated costs. The applicable contract may establish that the Company will take care of these matters at the Client's expense.

Article VI. Force Majeure

In the event of the unanticipated occurrence of demonstrable circumstances that are beyond the Company's control and pose an unpredictable obstacle occurred without the company´s will and prevent the Company from fulfilling its obligations, the Company does not guarantee the conditions set forth in the Barrandov Studio a.s. Business Terms and Conditions and all such circumstances will be considered as force majeure events.

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Article VII. Payment Conditions

(1) Rental charges and the fees charged for services are established on the basis of contractual negotiations with the Client.

(2) When providing services or renting out equipment or facilities, the Company has the right to request an advance deposit or require advance payment.

(3) With the exception of soundstage rental agreements, if the Client withdraws from a contract on the start date for the contractual performance and the withdrawal is not the result of some action on the part of Company, the Company will request the payment of a cancellation fee equal to 100% of the agreed price. The cancellation fee for withdrawal prior to the start date will be calculated as follows: one to three days prior to the start date – 75% of the agreed price; four to seven days prior to the start date – 50%; eight to twenty-one days prior to the start date – 30%; twenty-two to thirty days prior to the start date – 10%. The amount of the cancellation fee will however never exceed the price of more than four weeks of the contractual performance provided on the basis of the applicable contract.

(4) In the case of a soundstage rental agreement, the following cancellation conditions will be applied:

a) If a Client withdraws from the rental contract for any reason prior to the end of the negotiated rental period or if the rental period is changed in any manner, the Client is obliged to pay the rental amount for the entire negotiated rental period as specified in the rental agreement;

b) If the Company is able to lease the soundstage to another client for the remaining part of the rental period as specified in paragraph a) above, the Company shall refund to the original Client the amount obtained through this subsequent rental, however the amount of the refund will not exceed 90% of the rental amount paid in accordance with paragraph 1 above. The Company will retain the remaining 10% to cover overhead expenses.

(5) If any item or any of its parts or components is lost, damaged, or destroyed, or if the return of the item is delayed, a contractual penalty equal to the rental amount will be charged until such time that the item in question is returned to the Company in the same condition in which it was initially received; or, in the event of its loss, until it is found and returned to the Company; or, in the event that it has been destroyed, until it is replaced with an equivalent item (or a financial equivalent is paid) or with a comparable item that can be rented out again. The Company reserves the right to evaluate the replacement method and assess the probability that the item can be rented out again.

(6) The Client agrees that the standard timeframe for paying an invoice is fourteen days. If the payment due date is extended up to thirty days, an additional 0-2% of the initial price of the contractual performance can be added to the amount due. In the event that the payment due date is extended up to sixty days, the Company will add an additional 5% of the initial price of the contractual performance. In the event that the payment due date is extended up to ninety days, the Company will add an additional 7% of the initial price of the contractual performance.

(7) All payments to the Company will be made to the account specified in an invoice issued by the Company. Any payments sent by post are made at the Client's own risk. Unless specified otherwise in the agreement, the Company reserves the right to charge late interest equal to 0.5% for each day of delay for all amounts still outstanding after the designated payment due date. The late interest is due and payable together with the past due amount.

(8) All of the prices specified in the Company's pricelist are excluding value added tax, which will be calculated according to the legally valid rate.

Article VIII. Insurance

(1) The film and television equipment is insured through brokerage company. The insurance is valid throughout the entire territory of the European Union.

(2) The Client's co-payment amount for each insured event is CZK 10,000.00.*

(3) The Company has also taken out an insurance policy, which includes liability for damages suffered by a third party in connection with the Company's activities.

(4) The Company has negotiated liability insurance for damages suffered by the Client as the result of a natural disaster. This liability insurance does not apply in the event that the Client causes harm to either himself or to a different client on Company premises. The Client is obliged to insure any items brought onto the premises.

(5) The Client is obliged to inform the Company in writing without delay if an insured event occurs, however by no later than the next working day. In the case of damages caused by fire, criminal activity or a traffic accident, the Client is obliged to also report this event to the Police of the Czech Republic.

(6) If the Client commits a breach of the insurance conditions, the Client is liable for the full acquisition value of the damaged equipment or premises at the time the insured event occurs.

* The Company reserves the right to make changes.

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Article 9. Supplementary Provisions

(1) According to the law, especially Art. 630 paragraph of an Act Nr. 89/2012 Sb. Civil Code, takes the limitation period about entitlement of lessor from this contract fifteen years from the day on which the right could been used for the first time.

(2) The compensation entitlement of the Company arising from breach of duty to which the conventional fine relates, is not affected by paying of the conventional fine.

(3) The Company is entitled to amend these Business terms and conditions to a reasonable extent. In case of amendment the Company will inform the Client by e-mail or by letter about the publishing of the Business terms and Condition on the website of the Company. The amended Business terms and Condition come into force on the fifth day after the day of their publishing. The Client is obliged to take acquaintance of the amended Conditions. In the case that the Client does not agree with the amended Conditions, he is obliged to report this matter to the Company and to give a notice of termination of the Contract with the Company. The statutory period of notice takes one month and begins to run on the delivery date of the notice of termination to the Company. Existing clients' rights and duties will conform to the last valid version of the Business Condition and Term before their changes or amendment.

(4) The authorization in compliance with prior paragraph also covers the situation when there is a price list as an annex of the contract or other type of annexes,

(5) In case of disparity between these Business terms and Conditions and Business terms and Conditions from the Client, the Business terms and Conditions of the Company take precedence over the terms from Client

(6) These Terms and Conditions are governed by the legal standards and the legal code of the Czech Republic. The Client hereby agrees to be irrevocably subject to the jurisdiction of the Czech courts.

(7) In case that any clause of these Business terms and Conditions becomes invalid, ineffective or unenforceable, validity, effect and enforceability of other clauses remain unaffected.

(8) The location for delivery and payment is Prague.

(9) The Client undertakes to ensure that all persons working in cooperation with the Client are familiarized with these Terms and Conditions and to ensure that they act in compliance with these Terms and Conditions at all times.

(10) All descriptions and illustrations in the Company's catalogues, pricelists and other promotional materials are provided for informational purposes only. The provisions specified in the contract are the decisive factor.

(11) These Business Terms and Conditions enter into force and become effective on January 1, 2015 until next change.

Barrandov Studio a.s.
Lech Kubik
Chairman of the Board of Directors

Barrandov Studio a.s.
Petr Tichý, M.A.
Vice-Chairman of the Board of Directors