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www.cineflixinternational.com



STANDARD TERMS AND CONDITIONS FOR PROGRAM LICENSE AGREEMENTS

THIS AGREEMENT IS MADE THIS THE 19th MAY 2009

BETWEEN

(1) **CINEFLIX INTERNATIONAL MEDIA LIMITED**
28 Denzille Lane
Dublin 2
Ireland ("Cineflix")

and

(2) **CESKA TELEVIZE**
Kavci hory
Prague 4
140 70
Czech Republic ("Licensee")

1. Definitions:

The words defined in the Attachment shall where the context admits have the same meanings as ascribed to them therein. Subject as aforesaid the words and expressions in this Agreement shall unless the context otherwise requires have the following meanings:

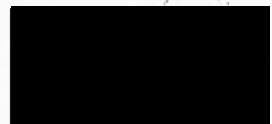
"Basic Charges" shall mean charges directly related to the reception or provision of access (but not the content of) one or more Television Programme Services or comprising government taxes payable by owners of receivers to permit the reception of such service(s).

"Pay Satellite Television" shall mean shall mean Broadcasting only by means of Pay Television Programme Services that limit transmissions to relay by means of satellite for direct to home reception within the Territory.

"Basic Television" shall mean Broadcasting within a Television Programme Service (other than any such service licensed to make transmissions over terrestrial television transmitters) when transmissions are made for reception direct to home subscribers on terms whereby payment of regular periodic Basic charges enable subscribers to receive the channel (or group of channels) which form part of the service for which payments have been made.

"Broadcast" or "Broadcasting" shall have the meaning provided in section 6 Copyright Designs and Patents Act 1988 as amended and restated from time to time

"Commercial VOD" shall mean making the Programme (in its entirety) available to the public for electronic transmission in an audio visual service in such a way that members of the public may access and download within the Territory a copy of the Programme for storage and/or simultaneous viewing for private purposes only.



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"Free Service" - shall mean any Television Programme Service which can be viewed without charge other than Basic Charges.

"Free Terrestrial Television" shall mean Broadcasting [only by means of analogue signal] [only by means of signals in digital form] within a Free Service which is a Television Programme Service transmitted for direct reception by conventional roof top receiving apparatus;

"Near Video on Demand" shall mean Broadcasting within a Television Programme Service when members of the public elect to receive the service on the basis that they are able to secure selective access to programmes within the schedule at times during a linear transmission schedule selected by the subscriber.

"Pay Cable Service" shall mean Broadcasting only by means of Pay Television Programme Services that limit transmissions to relay by wire or cable for reception within the Territory.

"Pay Per View" shall mean Streaming the Programme (as a single programme) within an audio visual service which enables PPV Subscribers to access it from a place and at a time individually chosen by them.

"Pay Television Programme Service" shall mean a Television Programme Service which can be lawfully accessed by members of the public only on terms whereby a separate payment (over and above Basic Charges) is required from a subscriber for the reception of each channel (or group of channels) comprising the service. For the avoidance of doubt, Video On Demand services are not Pay Television Programme Services under this Agreement. Pay Per View services and (other than in a Free Service) Near Video On Demand services are are Pay Television Programme Services under this Agreement.

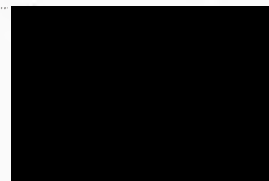
"PPV Subscribers" shall mean members of the public who have paid or are required to subscribe and pay (other than Basic Charges) for the right to access individual programmes within a Pay Per View Service.

"Pay Television Service" shall mean a programme service other than a pay per view service, near video on demand or video on demand service or webcast in analogue or digital format which comprises one or more channels involving the sequential transmission of programmes on each channel and which is delivered by means of an encrypted receiving apparatus and which is provided on terms whereby a separate payment (over and above any basic charge for the service) is required from a subscriber for the reception of each channel (or group of channels) comprising such service

"Pay Terrestrial Television" shall mean Broadcasting only by means of a Pay Television Programme Service that limit transmissions to relay by means of the terrestrial transmitters for direct to home reception within the Territory.

"Simultaneous Online Transmission" shall mean Streaming the Programme by means of a wire telecommunications system provided to members of the public within the Territory without charge (other than Basic Charges) when the transmission takes place simultaneously with a Broadcast of the Programme on a Television Programme Service which is a Free Service.

"Streaming" - shall mean transmitting the Programme in electronic form upon receipt of a request from a user by means of the transfer of an apparently steady stream of data but



without a permanent copy of the data being made and only when the transmission is intended for viewing simultaneously with reception.

"Television Programme Service" shall mean a service consisting of the linear broadcasting of television programmes for general reception within the Territory.

"Catch Up VOD Rights" shall be the right to transmit the Programme via the internet to the end user as part of a free transmission of the Licensee's service to be exhibited on Licensee's website within 72 hours of Licensee's television broadcast.

"Reserved Rights" shall mean all rights other than those granted to the Licensee in the Programme Attachment

"Restricted VOD" shall mean making the Programme available to the public by electronic transmission in such a way that members of the public may access and download a copy of the Programme for storage and simultaneous or subsequent viewing for private purposes, but on terms where the number of viewings, or the period within which the Programme can be accessed is limited by terms set by the service provider.

2. Grant of Rights.

(a) Cineflix hereby grants Licensee the Rights as set out in the Attachment hereto for the duration of the Term. Rights will only vest in Licensee after Cineflix has received the License Fee in full.

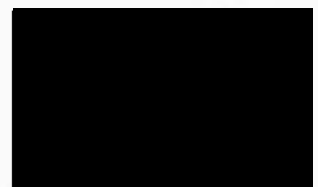
(b) Cineflix may exploit all Reserved Rights without restriction except as expressly provided in this Agreement.

(c) Cineflix hereby grants Licensee the following non-exclusive ancillary rights:

(i) to use advertising and promotion materials supplied by Cineflix for such purpose to advertise, publicize, and promote the Programme(s) in the Territory, and in so doing to reproduce the name, voice and likeness of any person rendering materials or services on the Programme(s) (unless notified in writing to the contrary) but not as an endorsement for any product or service other than the Programme(s). Licensee shall have the right to use extracts approved by Cineflix of less than 3 minutes from the Programme(s) on the Internet for the purpose of promoting the Programme(s) only.

(ii) To include before the beginning or after the end of the Programme(s) the credit or logo of Licensee;

(iii) To change the title of the Programme(s) after first obtaining Cineflix's approval; Licensee acknowledges that the Programme(s) errors & omissions insurance covers only the title of the Programme(s) specified in this Agreement and Cineflix shall not be held responsible or liable for any other title used by Licensee. Licensee shall indemnify Cineflix



and hold Cineflix harmless against any claim, causes of action, liability and expense in any way arising out of or in connection with Licensee's use of such other title;

(iv) To dub or subtitle the Programme(s) in the Authorized Language(s) only. Licensee agrees to and shall indemnify Cineflix and hold Cineflix harmless against any claim, causes of action, liability and expense in any way arising out of or in connection with the dubbing or superimposing of the Programme(s), or the exhibition thereof in its dubbed or subtitled form.

(v) Licensee will comply with all screen credits, paid advertising, publicity and promotional requirements, name and likeness restriction as supplied by Cineflix in writing.

(vi) In exercising the Rights, Licensee may not:

- (a) alter or delete any credit, logo, or copyright, patent or trademark notice appearing on the Programme(s);
- (b) without Cineflix's prior written consent, use any trademark or logo seen on any of the episodes of the Programme(s) in any of its advertising, publicity or promotion of the Programme(s);
- (c) include any advertisements or other material before, during or after the Programme(s) other than the credit or logo of Licensee, an approved anti-piracy warning, or commercials as authorized in this Agreement.

3. Music.

(a) Cue Sheets: Licensee will, file the music cue sheets supplied by Cineflix with the appropriate governmental agency or music rights society in the Territory.

(b) Synchronization: Cineflix represents and warrants to Licensee that Cineflix controls all rights necessary to synchronize the music contained in the Programme(s) throughout the Territory for the Term. Cineflix authorizes Licensee to exploit such synchronization rights without charge in conjunction with its exploitation of the Programme(s).

(c) Mechanical: Cineflix represents and warrants to Licensee that Cineflix controls all rights necessary to make mechanical reproductions of the music contained in the Programme(s) throughout the Territory for the Term and authorizes Licensee to exploit such mechanical rights without charge in conjunction with its exploitation of the Programme(s).

(d) Performance: Programme(s) Licensee will be solely responsible for obtaining a license to exploit such performance rights from the local music performing rights societies and for payment of all performing royalties.

(e) Music Publishing: As between Cineflix and Licensee, Cineflix will be solely entitled to collect and retain the publisher's share of any music royalties arising from Licensee's exploitation of any Rights in the Programme(s).

4. Territory and Geoblocking



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(a) The Territory shall include the countries comprising the Territory and their respective territories and possessions

(b) Licensee may only broadcast or authorize the broadcast of the Programme(s) over the originating transmitting facilities of the licensed channel designated in this Agreement as it exists on the date of this Agreement. If there is a physical change in the facilities of such licensed channel that materially affects the number or kind of household televisions capable of receiving it (e.g. signal boost, new transponder, satellite orbital drift), then Licensee will promptly give Cineflix notice of such change. Cineflix grants Licensee a right of first negotiation regarding exploitation of the Rights over such new facilities, taking into account rights previously granted to other persons and an adjustment in the License Fee. If no agreement is reached within 30 days of notice of such change in transmission methods, Cineflix may withdraw the Programme(s).

(c) Licensee shall notify Cineflix, at Cineflix's request, of the date, media, number of runs and specific licensed channels where the Programme(s) is exploited.

(d) Any online exploitation of the Rights pursuant to this Agreement shall only take place if specifically permitted and shall be by means of simultaneous online transmission streamed via internet services which are directed towards and limited to users whose internet protocol addresses are located in the Territory and by using protocols where such transmission is close-circuited and accessible only within the Territory during the Term. Any advertising, promotion or marketing of such transmissions must only be directed towards users in the Territory and Licensee shall not place online advertisements or promotions aimed primarily at users outside the Territory. In order to ensure the territorial restrictions set out in this Clause 4, Licensee shall utilise geo-targeting or geo-blocking technology with a minimum blocking guarantee of 95% in respect of Licensee's websites.

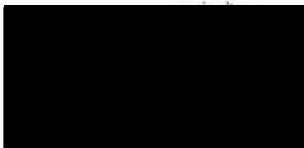
(e) Licensee acknowledges that pursuant to Cineflix's exercise of its Reserved Rights Cineflix may license third parties the right to exploit the Programmes on any and all forms of television outside the Territory provided however that any relevant broadcasts must not be receivable within the Territory, save that Licensee acknowledges that such broadcasts may be capable of reception inside the Territory due to the inherent capability of transmitters to transmit signals which are not confined to territorial boundaries ("Overspill") and that any such Overspill shall not constitute a breach by Cineflix of this provision provided that such broadcasts are encrypted for reception outside the Territory only and were not delivered in breach of this Agreement and/or intended for reception inside the Territory.

5. License Fee.

(a) Timely payment of the License Fee provided in this Agreement is of the essence. Payment will only be considered made when Cineflix has immediate and unencumbered use of funds in the required currency.

(b) If any Law prohibits remittance of any amounts to Cineflix, then Licensee will give Cineflix prompt notice of such Law. Licensee will deposit such amounts in Cineflix's name for Cineflix's unencumbered use in a suitable depository designated by Cineflix without any deductions for so doing.

(c) Any payment not made when due will, in addition to any other right or remedy of Cineflix, incur a finance charge at the lesser of three hundred basis points over the 3-month Euro Inter Bank Offered Rate ("EURIBOR+3") on the date payment was due or the highest



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applicable legal contract rate. This finance charge will accrue from the date the payment was due until it is paid in full.

6. Delivery and Materials.

(a) Cineflix will deliver the Delivery Materials to Licensee at Cineflix's expense. Legal ownership of and title to all Delivery Materials will remain with Cineflix subject to Licensee's right to use such Delivery Materials under this Agreement and Licensee will exercise due care in safe-guarding all Delivery Materials and will assume all risk for their theft or damage while they are in Licensee's possession. All Programmes are shot and delivered in the English language.

(b) Within 15 working days of receipt of the Delivery Materials Licensee will return all Delivery Materials to Cineflix at Licensee's expense, air freight collect to:
Forum 5 Inc, 5505 Saint-Laurent Street, Suite 3008, Montreal, Quebec, Canada H2T 1S6,
(for the attention of the Post Production Department) Should Licensee fail to return the Delivery Materials within such period Cineflix reserves the right to charge Licensee for the cost of replacing the same.

(c) Cineflix will have unrestricted free access to all alternate language tracks and dubbed versions, masters, advertising and promotional materials, artwork and other materials created by Licensee. Licensee will promptly give Cineflix notice of each person who prepares any dubbed or subtitled tracks and each laboratory or facility where the tracks are located will provide Cineflix with immediate unrestricted free access to all dubbed and subtitled tracks worldwide in perpetuity without restriction.

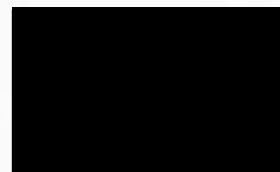
(d) Upon receipt by Licensee of Delivery Materials, Licensee shall have ^{ten} ~~ten (10)~~ ^{ten (10)} days to review their technical quality. (the "Review Period"). If Licensee should consider that the Delivery Materials are not of standard technical quality, Licensee shall advise Cineflix in writing, indicating the technical defects alleged by Licensee ("Technical Default Notice"). Should Cineflix not receive a Technical Default Notice within the Review Period, the Delivery Materials will be deemed accepted by Licensee. If Cineflix receives a Technical Default Notice, Cineflix shall have ten (10) business days from its receipt of the Technical Default Notice to cure alleged technical defects and return the cured Delivery Materials to Licensee. Failure of Cineflix to return the cured Delivery Materials to Licensee shall, unless otherwise agreed to by the parties, relieve Licensee from its obligation to pay the License Fee and this Agreement shall terminate forthwith and all rights granted pursuant hereto shall reverting to Cineflix without further notice.

7. Cineflix's Warranties.

(a) Cineflix represents and warrants to Licensee that:

(i) Cineflix owns or controls all rights in the Programmes which are granted or purported to be granted to Licensee hereunder and has secured all necessary consents to enable Licensee to exercise its rights hereunder.

(ii) There are no existing or threatened claims or litigation which would adversely affect or impair any of the Rights in the Territory during the Term;



(iii) Cineflix has not granted and will not grant any rights to any third party which would derogate from the rights granted to Licensee hereunder and will not do so during the Term;

(iv) The Programme(s) are not defamatory, obscene and do not infringe the copyright moral rights of privacy or any other rights of any third party.

8. Licensee's Warranties.

(a) Licensee represents and warrants to Cineflix that:

(i) Licensee has full authority and capacity to execute this Agreement and full legal and financial ability to perform all of its obligations under this Agreement;

(ii) Licensee is domiciled at the address indicated in this Agreement.

(iii) There are no existing or threatened claims or litigation which would adversely affect or impair Licensee's ability to perform under this Agreement;

(iv) Licensee shall not broadcast the Programme(s) more often than the number of transmissions provided in this Agreement.

(v) Licensee will honor all restrictions on the exercise of the Rights under this Agreement and will not exploit any Licensed Right outside the Territory or prior to or after the Term.

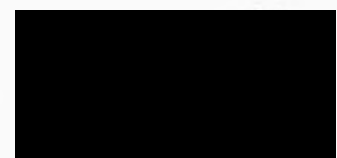
(vi) No authorized dubbed or subtitled version of the Programme(s) created by Licensee will be defamatory or obscene or infringe the copyright moral rights of privacy or any other rights of any third party.

9. Indemnities.

(a) By Cineflix: Cineflix will indemnify and hold harmless Licensee, its officers, directors, partners, owners, shareholders, employees, attorneys and agents, from all claims, loss, liability, damages or expenses, including, reasonable outside attorneys' fees and legal costs, but not including lost profits, due to breach of any of Cineflix's representations or warranties. Cineflix will honor this indemnity despite any assignment of this Agreement.

(b) By Licensee: Licensee will indemnify and hold harmless Cineflix, its officers, directors, partners, owners, shareholders, employees, attorneys and agents, from all claims, loss, liability, damages or expenses, including reasonable outside attorneys' fees and legal costs, but not including lost profits due to breach of any of Licensee's representations or warranties. Licensee will honor this indemnity despite any assignment, transfer, sublicense or appointment of an agent.

10. Assignment and Sublicensing.



(a) Licensee's Limitations: Licensee may not assign this Agreement, or sublicense or use an agent to exploit any rights granted hereunder, whether voluntarily or involuntarily, without Cineflix's prior written approval, which approval shall be at Cineflix's sole discretion and shall be subject to any such assignee, transferee, sub-licensee or agent entering into a direct covenant with Cineflix to be bound by this Agreement.

(b) Cineflix's Rights: Cineflix may freely assign or transfer this Agreement or any of its rights under this Agreement, but no such assignment or transfer will relieve Cineflix of its obligations under this Agreement, unless it is to a company which acquires all or substantially all of Cineflix's assets.

(c) Cineflix's Assignment For Financing Purposes: If Cineflix pledges this Agreement or assigns its right to receive any payment to a lender, completion guarantor or other person in connection with any loan or other obligation, then Licensee will promptly on request execute a reasonable and customary notice and acknowledgement of assignment as necessary to establish or perfect such entity's interest or secure its rights. Licensee agrees to abide by consistent written instructions from Cineflix and such entity in making any payments otherwise due to Cineflix directly to such entity. Licensee agrees not to assert any offset rights to delay, diminish or excuse the payment of any sums pledged or assigned to such entity. Instead Licensee will only treat such offsets or other rights as a separate and unrelated matter solely between Cineflix and Licensee.

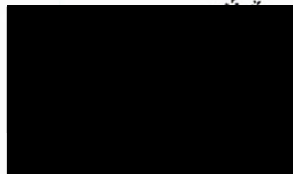
11. Default And Cancellation.

(a) If either party:

- (i) becomes insolvent or fails to pay its debts when due;
- (ii) makes an assignment for the benefit of creditors, seeks relief under any bankruptcy law or similar law for the protection of debtors, or allows a petition of bankruptcy to be filed against it or a receiver or trustee to be appointed for substantially all of its assets that is not removed within thirty (30) days;
- (iii) breaches any material term, covenant or condition of this Agreement and fails to remedy such breach, if capable of remedy, within 10 days of receiving notice from the other complaining of such breach

the other party may proceed against the party in breach for available relief, including terminating this Agreement retroactive to the date of default, suspending delivery of the affected Programme(s) without prejudice to its right to claim all unpaid amounts which may be due.

(b) Neither of the parties hereto shall be deemed to be in default hereunder for any delay or failure of performance on the part of any of said parties due to act of God, war (declared or undeclared), the elements, strikes, labor difficulties, delay in or lack of transportation, shortages of material, or similar circumstances beyond the control of any party, nor shall any party be liable for any failure, misfeasance, malfeasance or non-feasance of any carrier, transportation agency, laboratory or any other persons, firms or corporations, or for any causes not within the reasonable control of either party, or for any action, omission or delay not directly due to the negligence or default of such party or its authorized employees.



12. Miscellaneous terms.

(a) Confidentiality: Neither party shall disclose to any third party (other than its respective employees, directors, and officers, in their capacity as such on a need-to-know basis), any information with respect to the financial terms and provisions of this Agreement except: (a) to the extent necessary to comply with the law or the valid order of a court of competent jurisdiction; (b) to the extent necessary to comply with securities or similar disclosure requirements, (c) to its parent and affiliated companies, their banks auditors, investment bankers, attorneys and similar professionals, provided that such companies and similar professionals agree to be bound by the provisions of this subparagraph, and (d) in order to enforce its rights pursuant to this Agreement.

(b) No Waiver: No waiver of a breach will waive any other breach. No waiver is effective unless in writing. The exercise of any right will not waive any other right or remedy.

(c) Notices: All Notices must be in writing and sent to a Party at its addresses specified in this Agreement by fax, or first class mail. Such Notice will be effective when received. Notice may also be sent by e-mail, but then will not be effective until the recipient acknowledges receipt.

(d) Entire Agreement: This Agreement together with the Attachment contains the entire understanding of the Parties regarding its subject matter. It supersedes all previous written or oral negotiations, deal memos, understandings or representations between the parties, if any.

(e) No Amendment: This Agreement may not be amended or modified except by a writing signed by the Cineflix and Licensee or their duly authorized representatives.

13. Governing Law.

This Agreement shall be construed and interpreted according to the laws of Ireland and each party irrevocably submits to the non-exclusive jurisdiction of the courts of Ireland over any claim, dispute or matter arising under or in connection with this Agreement.

IN WITNESS WHEREOF the parties have caused this Agreement to be executed by their duly authorized officers as of the date first written above.

Signed

Name

Title

Company

Company Secretary

CINEFLIX INTERNATIONAL MEDIA LIMITED

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Dublin 3
Ireland

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www.cineflixinternational.com



Signed

Name



Title

Head of Programme Acquisitions

For and on behalf of

LICENSEE: CESKA TELEVIZE



30-06-2009

