

EUROPA CINEMAS MEDIA AGREEMENT

ME 2024 CZ 003

Between

The Co-ordinator, EUROPA CINEMAS, an association under French law subject to the provisions of the Act of 1st July 1901, 54 rue Beaubourg, F-75003 PARIS, represented by Fatima Djoumer duly authorised for that purpose, hereinafter "EUROPA CINEMAS" and

The Co-Beneficiary, the exhibition company TIC BRNO, příspěvková organizace, Radnická 365/2 - CZ 60200 Brno - Czech Republic, represented for the purposes of this act by Mrs. Jana Ticha Janulikova, hereinafter "THE EXHIBITOR"

FOR THE THEATRE (S) :

- Kino Art (2 screens) - Cihlářská 19 - CZ 60200 Brno - Czech Republic

Corresponding to 1 screen under contract,

hereinafter "THE THEATRE"

The EXHIBITOR of the THEATRE above confirms that he is aware that a Contract, of which he is the Co-Beneficiary, is signed with the European Commission and EUROPA CINEMAS as the coordinating entity. This Contract stipulates the following aims:

- increasing and diversifying programming in theatres and attendance at non-national European films,
- to build new audiences for European films by promoting exhibitors' initiatives aimed at Young Audiences,- developing a network of theatres allowing for joint initiatives at national and European levels to strengthen their competitiveness,
- highlight the THEATRE membership to EUROPA CINEMAS network and the financial support of the Creative Europe/MEDIA Programme of the European Union.

Signatories have agreed the following:

ARTICLE 1 - PURPOSE OF THIS AGREEMENT

The current agreement aims to define the arrangements for implementing the objectives of the Contract with the European Commission and disbursing the corresponding funding to the Co-Beneficiary in keeping with the criteria laid out in the 2024 Guidelines (See the Europa Cinemas website). The signatories of this present Agreement undertake to respect the Guidelines, which form an essential component of the agreement.

ARTICLE 2 - THE THEATRE'S EUROPEAN PROGRAMMING

The exhibitor shall undertake to ensure that during year 2024 the theatre's programming satisfies the following conditions: 20 % minimum of total programming of the THEATRE, measured as the total number of screenings, shall be of European non-national films. The support shall be granted on the basis of the overall programming of the multiplex and calculated on a pro rata basis for the number of screens than can demonstrate 20 % Screenings of European Non National Films (SENN).

The European component of programming as indicated above shall comprise at least 70 % of screenings of first-run films. The theatre's percentage of European screenings will also be taken into account for the calculation of funding (See Guidelines).

ARTICLE 3 - INITIATIVES AIMED AT YOUNG AUDIENCES AND SCHOOL-AGE CHILDREN

The Young Audience support per annum shall be allocated for specific initiatives offered by a theatre in terms of programming and activities targeted at young spectators:

- separate screenings for schoolchildren or other organised groups,
- extra promotion or specific activities for Young Audiences: regular events, presentations, discussions, meetings ...
- festivals, films programs designed primarily for Young Audiences,
- active participation in programmes developed at regional, national or European levels.

Young Audiences screenings offered within the scope of general programming and not involving special promotion or specific activities and a simple reduction in admission fee are not eligible for funding.

These criteria are stipulated in the Young Audiences Guidelines, which form an integral part of this Agreement.

ARTICLE 4 - EXAMINATION OF THE PROGRAMMING AND INITIATIVES BY THE VALIDATION COMMITTEE

A Validation Committee selected by EUROPA CINEMAS proceeds to the analysis of the programming and of the Young Audiences initiatives of the film theatres in the network and to the selection and remaining of the theatres that are members of the network.

The EXHIBITOR undertakes to transmit regularly, and at least once annually at the beginning of the year or in the time frame allotted, all the information requested by EUROPA CINEMAS in the programming tables published by EUROPA CINEMAS. When doing this, THE EXHIBITOR should first and foremost use the Member Zone of Europa Cinemas' website. Incomplete applications, or applications submitted after the deadline, will neither be studied nor submitted to the Validation Committee. The Committee shall examine the information transmitted by THE EXHIBITOR and shall determine:

- the percentage of European non-national programming expressed as the number of screenings,
- the global percentage of European screenings,
- European initiatives of THE EXHIBITOR aimed at Young Audiences.

ARTICLE 5 - CONDITIONS FOR REMAINING IN THE NETWORK

Each year the Validation Committee may examine whether THE THEATRE has satisfied the conditions for continued participation in the network. Should the conditions required in Article 2 not be met during three consecutive years, the theatre's designation as a EUROPA CINEMAS theatre may be revoked or suspended after examination of exhibitor's justifications. The decision to exclude THE THEATRE from the network shall be communicated to THE EXHIBITOR after the meeting of the Validation Committee and shall take effect immediately. The exhibitor may re-submit an application for the theatre later on.

ARTICLE 6 - AMOUNT AND UTILISATION OF SUPPORT

If THE THEATRE complies with the conditions relating to programming and in-house events stipulated in Articles 2 and 3, EUROPA CINEMAS' contribution to support European programming and initiatives aimed at Young Audiences for the year 2024 may amount to a maximum annual total of 15,500 € (bonus not included) granted to THE THEATRE on the basis of the following breakdown:

- 12,500 € maximum for European non-national programming
- 3,000 € maximum for initiatives aimed at Young Audiences and school-age children Bonuses:
- Additional support will be paid to THE THEATRE as a diversity bonus based on the number of European nationalities represented in the list of screened films. This bonus will be calculated on the basis of the scale included in the Guidelines.
- Additional support will be paid to THE THEATRE as a "Label" bonus, based on the number of screenings of European films that have been awarded the Europa Cinemas Label (in Berlin, Cannes, Karlovy Vary, Locarno and Venice). This bonus will be calculated according to the method described in the Guidelines.

No payment for programming support may exceed 1 (ONE) € per admission to European films in THE THEATRE.

Should THE THEATRE close for more than two consecutive weeks during the period under examination, the amount of support payable will be calculated on a pro rata basis for the days during which the theatre is open.

Should there be a change in the number screens in THE THEATRE over the course of the year, the amount of support payable will be prorated according to the number of screens in activity during each period. An additional screen can only be taken into account in the contract after 6 months of activity.

A degressivity measure applies to all cinemas that have been in the network for more than ten years (first agreement signed in 2005). Beyond these ten years and for the following ten years, the support will be reduced by 1% per year (i.e. 1% of the total amount – programming support, diversity, Young audience support included).

ARTICLE 7 - TERMS AND CONDITIONS OF SUPPORT PAYMENTS 2024

• Support for the programming and Young Audience activities for the year 2024

An advance payment of support will be made to THE THEATRE during the year 2024 and for that same year. This advance payment will be calculated on the indicative basis of the 2022 results of THE THEATRE and will correspond to a maximum of 35% of the total 2024 support as indicated in Article 6.

Payment of the balance of the 2024 support shall be made after examination by the April 2025 Validation and Steering Committees and subject to approval from the European Commission. The balance ultimately paid on the basis of each agreement will depend on the global financial package received from the European Commission and on the number of theatres that are members of the network subject receiving financial support from EUROPA CINEMAS.

Important: A cinema will have to reach at least 60% of its annual programming targets in order to keep the 35% advance payment. If the 60% target is not met, the cinema will have to repay the advance to Europa Cinemas.

No payment may be made to a theatre which has not signed and validated within the required deadline the present Agreement. If there has been a change in legal representative, it is THE THEATRE'S responsibility to send EUROPA CINEMAS an official communication stating the identity of the new legal representative.

EUROPA CINEMAS shall provide THE THEATRE two notifications: one for the amount of the 35% advance and the other for the balance of the 2024 support to be received. Both will include the conditions to be fulfilled by THE EXHIBITOR for the payment, which are, to provide the following documents:

- the present agreement, duly signed, thus confirming the continued activity of THE THEATRE,
- bank details of the exhibition company of THE THEATRE.

If EUROPA CINEMAS does not receive these documents by the 30th June 2024, THE THEATRE shall be considered as renouncing the support and the payment shall be cancelled.

No payment may be made to a theatre which has closed completely at the time when payment is to be made.

In the case of a temporary closure not exceeding 12 months, the payment will be made to the operating EXHIBITOR when THE THEATRE reopens.

Should THE THEATRE change exhibition companies during the term of this Agreement, the balance of the support will be paid to the company operating THE THEATRE on the date of payment. The previously existing agreement will be cancelled and payment will only be made if the new company adheres to the same policy and signs a new agreement based on the same conditions as the former one. EUROPA CINEMAS reserves the right to check beforehand that the programming of the new exhibitor satisfies the objectives of the Guidelines before paying the support.

In the cases of mini-networks, Europa Cinemas will require the beneficiary / head of network of the agreement to prove the payment to the other co-beneficiaries.

ARTICLE 8 - RESERVATION CLAUSE

If for any reason EUROPA CINEMAS does not receive the expected subsidies from the European Commission, or only in part, the sum to be paid to THE THEATRE pursuant to this agreement may either be reduced or not paid, with no notice given and no ensuing right to claim compensation of any sort from EUROPA CINEMAS.

ARTICLE 9 – THEATRE OWN INVESTMENT (MATCHING FUND)

The investment corresponds to expenditure for rental of European non-national films, as paid by THE EXHIBITOR to distributors. For each film included in the programme THE EXHIBITOR shall indicate the total sum for box-office related revenue and the number of admissions per film. EUROPA CINEMAS reserves the right to request that THE THEATRE inform EUROPA CINEMAS of the amount invoiced by the distributor for each film programmed, inclusive of tax, and that it provide any invoice relating to expenditure for in-house events and advertising.

Invoices paid by THE EXHIBITOR in relation to advertising of European non-national films may be incorporated into THE THEATRE'S investment.

ARTICLE 10 - JOINT INITIATIVES : CO-ORDINATION, INFORMATION, COMMUNICATION

Joint information and promotion initiatives are in particular the following : Audience Development and Innovation Labs, Network Review, website, databases, Europa Cinemas Label, co-ordination of national or regional initiatives, Exhibitor's Conference, publication of studies and surveys, meetings of professionals, joint programming initiatives, joint advertising material, dissemination of information. EUROPA CINEMAS shall co-ordinate initiatives taken within the network.

In order to facilitate the internal communication of the network and the transfer of programming data and general information concerning THE THEATRE and the exhibition company, THE EXHIBITOR must use the Member Zone, accessible from EUROPA CINEMAS' website.

The information communicated by THE EXHIBITOR via the Member Zone and included in this Agreement must be reliable, regularly updated and engages the responsibility of THE EXHIBITOR. **ARTICLE 11 - ADVERTISING AND COMMUNICATION OF THE EXHIBITOR**

THE EXHIBITOR commits to the following:

- Visibly display the EUROPA CINEMAS/MEDIA signboard in the theatre's foyer.
- Run the EUROPA CINEMAS/MEDIA animated logo on 35mm film or digital format before each screening.
- Include the following text, legibly, on THE THEATRE'S website and on all advertising material and documentation published during the period covered by this Agreement: EUROPA CINEMAS/Creative Europe/MEDIA sub-programme. Several copies of such material shall be sent to EUROPA CINEMAS.

THE EXHIBITOR will receive a EUROPA CINEMAS PASS giving THE EXHIBITOR free access to all the theatres in the network. In return, THE EXHIBITOR commits to providing one or two free seats to holders of this Pass, valid for all screenings in THE THEATRE.

THE EXHIBITOR will receive the following promotional material for the above-mentioned communication measures to inform the audience that THE THEATRE is part of the network and that it receives financial assistance from the European Union:

- EUROPA CINEMAS/MEDIA signboard,
- Animated logo, digital format,
- Logos,
- EUROPA CINEMAS Pass.

IMPORTANT: THE EXHIBITOR's failure to duly respect the undertakings stipulated in this article and to supply justifiable cause can lead to the suspension or cancellation of this Agreement and of associated payments.

ARTICLE 12 – CHARTERS ON GREEN & SUSTAINABILITY STRATEGY AND ON GENDER BALANCE & INCLUSION AND DIVERSITY

Europa Cinemas believes all businesses and organisations have a responsibility to help tackle the issues of climate change and to work for a cleaner environment in the interests of health, community and diversity.

As cultural influencers and curators, as social spaces at the heart of communities, as the audience-facing part of a global film industry and as businesses and employers, film theatres are also in a unique position to help shape a sustainable environment and a more inclusive, more diverse and more equal society.

Since 2023, this Agreement has included two Charters, drafted with Network members within the framework of Focus Groups. The aim of these Charters is to encourage Network members to implement effective and measurable actions in terms of environmental change, social inclusion and diversity.

The core principles of the Green & Sustainability Strategy Charter are:

1. Sustainable growth and reducing the network's carbon footprint.
2. Consideration of environmental issues in decision-making processes, including programming and curation.
3. Sharing knowledge and best practice to all network members and to audiences.

The core principles of the Gender Balance & Inclusion Charter are:

1. Using the unique place of cinemas in communities across Europe to promote diversity, inclusion, respect, equality and create safe spaces.
2. Creating and sharing measurable and effective business practices across all countries, recognizing different local challenges.
3. Leading research, creating innovation and sharing best practice.
4. Encouraging audiences of all ages, in particular younger people, and social backgrounds to engage with film and European culture.
5. Building balanced participation from cinemas in all European countries.
6. Supporting international films and language diversity

Both Charters are annexed to this Agreement and shall form an integral part thereof.

By signing this Agreement, THE EXHIBITOR undertakes to commit to the principles stated in both Charters and to turn those principles into action.

ARTICLE 13 - NAME AND DISTINCTIVE SIGNS OF EUROPA CINEMAS ASSOCIATION

THE EXHIBITOR shall utilise the name or distinctive signs of EUROPA CINEMAS solely in order to identify and promote the network within the framework of this agreement.

THE EXHIBITOR undertakes not to register or have registered any brand, commercial name or distinctive sign belonging to EUROPA CINEMAS (or any other brand or sign that might be confused with those of EUROPA CINEMAS) in the exhibitor's country or in the European Union.

Should THE THEATRE cease to be part of the network, THE EXHIBITOR shall no longer be authorised to utilise the name or distinctive signs of EUROPA CINEMAS.

ARTICLE 14 - CORRECT REPRESENTATION OF INFORMATION

THE EXHIBITOR shall certify that all information given by the exhibitor to EUROPA CINEMAS in performance of this agreement is correct, precise and truthful.

Receipts declarations or distributors bills can be required during the analysis of the programmings. Furthermore, EUROPA CINEMAS and the European Commission reserve the right to carry out inspections at the office of THE EXHIBITOR and in the premises of THE THEATRE at their convenience, either directly or through an intermediary chosen by them, in order to verify that information, particularly on accounting, provided to them by THE EXHIBITOR, is correct. Any false statement shall lead to immediate ipso jure termination of this agreement and the reimbursement of the sum already paid for this agreement.

THE EXHIBITOR undertakes to inform as soon as possible EUROPA CINEMAS of any change to the operation of THE THEATRE of such a nature as to alter the conditions of performance of this agreement.

ARTICLE 15 - APPLICABLE LAW - DISPUTES - LANGUAGE OF THE AGREEMENT

French law shall govern interpretation, implementation and performance of this agreement. Each of the parties shall make every effort to settle amicably any dispute that may arise between them with regard to the interpretation or implementation of this agreement. In the absence of such amicable settlement, the courts of PARIS shall have jurisdiction. The languages of this agreement are French or English.

ARTICLE 16 - CONFIDENTIALITY

Europa Cinemas is committed to protecting the confidential information provided by the exhibitor. As of the Contract signed on 20/12/2023 between Europa Cinemas and the Education, Audiovisual and Culture Executive Agency (EACEA), Europa Cinemas will provide access to the information available to internal audit services, to the Financial Irregularities panel and/or to the European Anti-Fraud Office. Beneficiaries may, on written request, gain access to their personal data and correct any information that is incorrect or incomplete. They should address any questions regarding the processing of personal data to the EACEA. Beneficiaries may lodge a complaint against the processing of their personal data with the European Data Protection Supervisor.

ARTICLE 17 - NULLITY

The invalidity or non-applicability of any one of the above provisions shall not affect the validity or applicability of the other provisions of this agreement unless this invalid or non-applicable clause can be regarded as an essential (material) clause, in other words, unless this clause is such that the parties would not have concluded the present agreement if they had been aware of the invalidity or non-applicability of said clause.

Moreover, the parties to this agreement agree that similar provisions may be substituted to replace invalid or non-applicable provisions and that such provisions shall form an integral part of this agreement.

ARTICLE 18 - TERM OF THE AGREEMENT

This agreement is concluded for the year 2024.

ANNEX 1: EUROPA CINEMAS' GREEN & SUSTAINABILITY STRATEGY CHARTER

The Europa Cinemas' network believes all businesses and organisations have a responsibility to help tackle the threat of climate change and to work for a cleaner environment in the interests of health, community and diversity.

It supports the Charter of Fundamental Rights of the European Union, which promises citizen's a high level of protection and improvements in the quality of the environment "in accordance with the principle of sustainable development."

In this Charter, the Europa Cinemas' network spells out core principles to guide its activities and commits to practical support for the development of programmes and activities.

While the contribution of film exhibition is limited in the overall context of global environmental action, cinemas have an important role in communities, with audiences and within the film industry. It believes that practical development of sustainable green activity can bring positive social, cultural and economic benefits to all.

Cinemas are in a unique position: as cultural influencers and curators; as social spaces at the heart of communities; as the audience-facing part of a global film industry; and as businesses and employers. The support for a sustainable environment for all complements other Europa Cinemas network commitments to diversity, inclusion and respect in every aspect of its work.

This Charter aims to help guide the network in creating effective and measurable action in each of those roles. It is intended to encourage participation and progress among all members across Europe encouraging collaboration and innovation and providing practical pathways to ensure its shared mission achieves measurable results in the context of national and regional economic, social and environmental development, national policy and local market realities. **CORE PRINCIPLES**

The Europa Cinemas' network is committed to:

1. Reduction of waste and to reuse and recycle materials.
2. Sustainable growth and reducing the network's carbon footprint.
3. Consideration of environmental impact in decision-making processes.
4. Sharing knowledge and practical advice among all network members.
5. Encouraging understanding of environmental issues through programming and curation.
6. Setting transparent goals for activity and working to engage audiences in green initiatives.

EUROPA CINEMAS COMMITMENTS

Europa Cinemas will turn those principles into action across the full diversity of the network through:

- Creating transparent and achievable pathways and targets for all members within their own countries and regions.
- Creating and promoting transparent measurements to assess impact.
- Disseminating best practices and practical ideas throughout the network.
- Sharing data and knowledge on environmental impact and effective action.
- Encouraging collaboration and collaborative innovation between cinemas across borders.
- Offering a positive influence in the broader film value chain.
- Developing incentives to encourage green activity.
- Creating and sharing programmes and labels to support green films.
- Encouraging audiences to share and build on green goals.
- Creation of business, government community and technical partnerships.
- Active engagement and partnership with industrial and European green initiatives.

Europa Cinemas Network ACTIONS

This charter offers Pathways to action on sustainability by helping encourage activity, develop practical knowledge, skills and tools, and to advise on developing activities and plans.

Encourage	Develop	Advise
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<ul style="list-style-type: none">•Incentives for green actions•Shared mission for the network•Effective communications•Green Label for films•Case studies•Regionalisation and localisation	<ul style="list-style-type: none">•Collaborate to Innovate•Workshops and labs•Toolbox development•Partnership development•Focus group•Technical development	<ul style="list-style-type: none">•Workshops and labs•Effective workshops•Social media and comms•Reports and case studies•Toolbox•Localised advice
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ANNEX 2: EUROPA CINEMAS' GENDER BALANCE, DIVERSITY AND INCLUSION CHARTER

The Europa Cinemas' network believes the future of film and cinema depends on its cultural and social engagement with the full diversity of society.

Its aspirations need to be understood in the context of social, cultural and economic fragmentation and disruptive changes in technology and audience habits. European film is also trying to address historic failures in gender balance in key creative roles, alongside longstanding challenges in attracting young audiences and crossing barriers of social class.

Film and cinema are subject to the same social, political, economic, technological and cultural forces that affect European society across Europe and equality, diversity and inclusivity are issues for all businesses and organisations.

But Europa Cinemas believes that cinemas are in a unique position: as cultural influencers and curators; as social spaces at the heart of communities; as the audience-facing part of a global film industry; and as businesses and employers.

The network can make an important contribution to a more balanced, diverse and inclusive Europe and will look for sustainable ways to create and promote equality, inclusion and respect in all its activities every day. It believes diversity and inclusion offers positive economic, social and cultural benefits.

This charter is a commitment to action, promoting best practice across the whole network, recognising the diverse challenges facing cinemas in different countries and communities.

CORE PRINCIPLES

Europa Cinemas network is committed to:

- Using the unique place of cinemas in communities across Europe to promote diversity, inclusivity, respect, equality. Creating and sharing measurable and effective business practices across all countries, recognising different local challenges.
- Encouraging broad and inclusive audience engagement with culturally-diverse European films.
- Leading research, creating innovation and sharing best practice.
- Creating welcoming, respectful and inclusive social spaces.
- Encouraging audiences of all ages and social backgrounds to engage with film and European culture, with a particular focus on passing on a diverse cinema legacy to younger people.
- Encouraging production and distribution of diverse and inclusive film, with particular emphasis on gender balance, through screening and curation of appropriate works.
- Building fair and balanced representation and participation from cinemas in all European countries.
- Promoting cross-border cooperation and sharing of ideas, practices and processes. Supporting international films and language diversity

EUROPA CINEMAS COMMITMENTS

Europa Cinemas will turn principles into action across the full diversity of the network through:

- Cross-border cooperation on best practice, recognising national and regional differences.
- Curation and programming films that further the mission of this Charter
- Encouraging audience engagement with European film and cinemas across all age groups, with a special focus on young audiences.
- Helping create and encourage welcoming shared social spaces and sharing best practice.
- Transparently measuring progress of actions and activities
- Creating and upholding rules on gender balance and inclusivity in Europa Cinemas' activities.
- Developing incentives to encourage activities and actions in support of this Charter.
- Sharing best practice in developing diverse and inclusive teams and businesses. Education initiatives and communication with diverse audiences

Europa Cinemas Network ACTIONS

Encourage	Develop	Advise
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<ul style="list-style-type: none"> •Incentives to support action •Fair and balanced representation in activities and events •Film labels •Case studies •Regionalisation and localisation 	<ul style="list-style-type: none"> •Collaborate to Innovate •Workshops and labs •Toolbox development •Partnership development •Focus group •Targets and KPIs 	<ul style="list-style-type: none"> •Share best practices across the network •Workshops and labs •Effective workshops •Social media and comms •Reports and case studies •Toolbox •Localised advice
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Validated in Paris, on 26/03/2024

EUROPA CINEMAS

FOR THE COMPANY:

Fatima DJOUMER
Chief Executive Officer

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