

## **AGREEMENT ON MAKING AND USING DIGITAL COPIES OF ARCHIVED MATERIALS**

### **I. Parties**

**Národní filmový archiv**, příspěvková organizace (National Film Archive)  
with its registered office at Prague 4, Závašova 502/5, 140 00 Czech Republic  
Business ID No.: 000 57 266,  
Tax ID No.: CZ 000 57 266  
Bank details: Česká národní banka, Na Příkopě 28, 115 03 Praha 1  
Account No. 10006-83337011/0710  
represented by PhDr. Michal Bregant, General Director  
(hereinafter the “**NFA**”)

**and**

**Christopher Gray Post Production**  
with its registered office at: 3918 Michael Ave, Los Angeles, CA 90066, USA.,  
Business ID & Tax ID No.: 0002486024-0001-0  
represented by Christopher Gray.  
(hereinafter the “**Client**”)

pursuant to the relevant provisions of Act No. 89/2012 Coll., the Civil Code, as amended, conclude this

### **Agreement on Making Digital Copies of Archived Materials**

### **II.**

#### **Parties; Subject Matter of the Agreement; Digital Copies**

1. NFA is a legal entity in the form of a semi-budgetary organization (*příspěvková organizace*), with full capacity to make legal acts, exercise rights and perform obligations, fulfilling the role of specialized archive for audiovisual archived materials and focusing, among other things, on building, protecting, restoring, scientifically processing and giving access to the national film heritage, i.e. the audiovisual archived materials, including collections of contemporary documentation (photographs, posters, etc.), written archived materials, literature and collections of the NFA library, as well as universal dissemination of film culture in collaboration with Czech and foreign film and cultural institutions. NFA possesses the below stated thing and wishes to grant its consent to the Client to make a digital copy under the conditions stated herein.
2. The Client wishes to acquire the below specified digital copy from the NFA under the conditions stated herein.
3. The subject matter of this Agreement is NFA's obligation to make a digital copy in the scope hereunder and pass such digital copy to the Client and the Client's obligation to pay the remuneration to NFA for due performance of its obligations established hereunder.

4. For the purposes of this Agreement, the digital copy shall mean a copy (made electronically e.g. using a digital camera or scanner) of film frames from audiovisual works (hereinafter together as the “AVW”) of the following specifications:
  - a. Les Miserables (1918, director: Frank Lloyd, ID: 0200249);

(herein jointly referred to as the “**Digital Copy**”).

5. The Digital Copy made under this Agreement shall have the following properties:

- a. XXXXXXXXXXXXXXXX
- b. XXXXXXXXXXXX
- c. XXXXXXXXXXXX XXXXXXXXXXXX XXXXXXXXXXXX XXXXXXXXXXXX
- d. XXXXXXXXXXXX
- e. XXXXXXXXXXXX XXXXXXXXXXXX

6. This Agreement does not grant the Client any other authorization to use the intangible assets that may be recorded on the Digital Copy such as: literary parts of AVW (preexistent work, story, script, dialogues), directing of AVW, art components of AVW (cameramen, architects, wardrobe designers, and other artists of AVW), choreography and pantomime authors’ rights used in AVW, other copyright works, recordings of artistic performances, audiovisual recordings, trademarks, etc. The Client acknowledges by signing this Agreement that if it wishes to use the above stated intangible assets (including making Digital Copy and digital restoration of the Digital Copy), it must handle the rights to such assets exclusively at its own liability and cost. If requested by the NFA, the Client must prove to the NFA that the rights to use the intangible assets recorded on the Digital Copy have been obtained.

### III.

#### Making and Handing Over the Digital Copy

1. The NFA undertakes to make the Digital Copy defined hereunder and to hand it over to the Client no later than 120 days after signing this Agreement; handover shall be made in the following manner: File Mail, File Transfer or any similar online transfer method.

### IV.

#### Rights and Obligations of the Client

1. The Client is also obliged to adhere to the following conditions in using the Digital Copy:

##### 1.1. Creation of New Restoration Copy:

The Client is permitted to use Digital Copy as a source to create a new digital restoration copy (hereinafter the "Restored Copy"). The Restored Copy must be identified as derived from the NFA's original materials. The Client shall ensure that the Restored Copy adheres to the highest preservation and restoration standards. The Client cannot damage the artistic value of the AVW during the process of restoration.

##### 1.2. Sale of the Restored Copy:

The Client is entitled to XXXXXXXXXXXXXXXXXXXXXXXXXXXX Restored Copy, provided that:

Each sale or distribution clearly attributes the NFA as the provider of the original material. The NFA is notified in advance of any commercial activities involving the Restored Copy.

**1.3. Security Measures:**

The Client is obliged to implement and maintain security, technological, and organizational measures to prevent unauthorized access, duplication, or distribution of the original Digital Copy or the Restored Copy, except as expressly permitted by this Agreement.

**1.4. Modifications:**

The Client is authorized to modify the Digital Copy solely for the purpose of creating the Restored Copy. No other modifications are permitted unless agreed upon by both parties in writing.

**1.5. Misuse and Reporting:**

In the event that the Digital Copy or the Restored Copy is used in any manner contrary to this Agreement, the Client shall inform the NFA without delay and take all reasonable actions to minimize any resulting harm

2. The NFA is entitled to inspect whether the Digital Copy is being used in accordance with this Agreement at any time for the duration of this Agreement, whether performing the inspection itself or through a third party; the client is obliged to provide NFA with the necessary cooperation and submit all relevant documents that may be requested for such purpose.
3. The Client is obliged to state in a suitable manner for each use of the Digital Copy that the Digital Copy is part of the NFA collection and for each use of the Restored Copy that the Restored Copy was made using Digital Copy owned NFA. The previous sentence does not entitle the Client to use trademarks or any other intellectual property of NFA, with the exception of the name “National Film Archive” (including translated versions of the name) and NFA’s official logo, unless the Parties agree otherwise. The Client is fundamentally obliged to use the Digital Copy with due care for the good name and reputation of NFA and to contribute to protecting them.

**V.**

**Contractual Penalty and Compensation for Damages**

1. The Client shall pay a contractual penalty in the amount of XXXXXX to NFA for each individual breach of this Agreement. Payment of the contractual penalty shall have no effect on NFA’s right to compensation in full for damages incurred as a result of breach of the given obligation.
2. The contractual penalty set forth in this Article shall be payable within seven days of billing. In the event that the contractual penalty is decreased by a court, it shall have no effect on the right to compensation for damages in the amount for which the damages exceed the amount determined by the court as adequate, without any further restrictions.

**Article VI.**

**Remuneration for NFA**

1. The Client shall pay NFA remuneration in the amount of XXXXXX XXXXXX XXXXXX XXXXXX) for making the Digital Copy under the conditions set forth herein.

2. The Client shall pay the remuneration stipulated in Article VI(1) hereof to NFA's bank account set forth in the header hereof on the basis of a regular invoice with all legal features of a tax document and with a maturity period of fourteen days, issued by NFA on the basis of this Agreement.
1. In the event that the Client is in delay with payment of the remuneration pursuant hereto, the Client undertakes to pay NFA interest on late payment in the amount of XXXXXXXX for each full day of delay.

## VII.

### Duty of Confidentiality

1. The Client represents that it is aware that all data it learns of under this Agreement that is not publicly accessible comprises NFA's trade secret pursuant to Section 504 of Act No. 89/2012 Coll., the Civil Code, as amended. Information comprising trade secret is deemed to be, for instance:
  - information concerning NFA's current market position + internal organization,
  - information on NFA's publishing plan, marketing plans and upcoming campaigns,
  - information on NFA's new products and services.
2. The Client undertakes to maintain complete confidentiality regarding this trade secret and to return all documents containing the trade secret after terminating the collaboration or at any time upon NFA's instruction immediately and without exception and not to allow the trade secret to be disclosed to any unauthorized person at any time after the date hereof. This obligation shall continue to bind the Client even after this Agreement is terminated.
3. The Client undertakes never to use this trade secret in any way, directly or indirectly, in its own favor or otherwise, other than in the interest of NFA and in accordance with its instructions.
4. The Client undertakes to use any materials (including graphic depictions, logos, trademarks, etc.) acquired from NFA or entrusted by NFA to a third party solely for the purposes hereof.

## VIII.

### Final Provisions

1. The NFA can terminate this Agreement by unilateral withdrawal if the Client commits repeated or gross breach any of its obligations hereunder; such withdrawal shall take effect at the moment of delivery to the Client and shall not entitle the Client to a refund of all or part of the remuneration. This Agreement can be terminated by notice of termination or withdrawal under the conditions stipulated in the generally binding regulations or in this Agreement.
2. This Agreement shall be governed by the laws of the Czech Republic, in particular the relevant provisions of the Civil Code and related legal regulations. In the event of a dispute in relation to the interpretation or performance hereunder that cannot be resolved amicably, such dispute shall be resolved by the court of local jurisdiction that shall be determined according to NFA's registered office.
3. This Agreement has been executed in two counterparts, each with the validity of an original, one for each of the Parties.
4. The Parties undertake that, in the event of disputes regarding the contents of and performance under this Agreement, they shall make every effort that can be reasonably expected of them to

ensure that the disputes are settled amicably, in particular to eliminate the circumstances leading to the right to withdraw from the Agreement or rendering it null and void.

5. If any of the arrangements in this Agreement become invalid or ineffective due to a change in legal regulations or for any other reasons, such provisions shall be brought into compliance with the legal standards. The Parties represent that the remaining provisions of the Agreement shall remain valid, unless their purpose makes it impossible or the provisions are not severable. If any of the provisions of this Agreement proves to be void, the impact of such defect on the other provisions of the Agreement shall be assessed in the same manner pursuant to Section 576 of the Civil Code.
6. Amendments to this Agreement must be made in written form (which for the purposes of this provision does not include electronic communication) and the signatures of both Parties' representatives must be on the same document.
7. Both Parties represent that no obligations to third parties prevent them from concluding this Agreement.
8. This Agreement contains the complete arrangements regarding the subject matter of this Agreement, and all matters the Parties should have arranged and wished to arrange in the Agreement and which they consider important for the binding nature of this Agreement. No expression of the Parties made during the negotiations regarding this Agreement or expression made after concluding this Agreement may be interpreted in conflict with the express provisions herein and does not establish any obligation for either of the Parties.
9. The Parties do not wish for any rights and obligations other than those established hereunder to be derived from the current or future practice between the Parties or the usual practices in general or in the industry concerning the subject of performance hereunder, unless expressly stipulated otherwise herein. In addition to the above, the Parties confirm that they are not aware of any business practices or customs established between them.
10. An answer from the Party pursuant to Section 1740(3) of the Civil Code containing an amendment or deviation does not comprise acceptance of the offer to conclude this Agreement, even if the conditions of the offer do not substantially change.
11. The Parties expressly confirm that the basic conditions hereof are the result of negotiations between the Parties, and each Party has had the opportunity to influence the contents of the basic conditions hereof.
12. This Agreement has been executed in English. The Parties represent that they have understood and agree to the contents of this Agreement, both as a whole and in its individual provisions, in witness whereof they hereunto set their hand:

Prague dated .....

Los Angeles dated .....

**NFA:**

**Client:**

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**National Film Archive**  
PhDr. Michal Bregant,  
General Director

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**Christopher Gray Post Production**  
Christopher Gray  
representative

