



TERMS AND CONDITIONS OF BUSINESS

April 2013

1. INTERPRETATION

In these Conditions of Business unless the context otherwise requires:

- 1.1 "Cineworks" means Cineworks Limited, a U.K. company with its office at Pinewood Studios, Pinewood Road, Iver Heath, Buckinghamshire, SL0 0NH and its subsidiaries.
- 1.2 "The Customer" means the person (including his successors, personal representatives and permitted assignees) hiring Equipment or purchasing Goods and/or Services from Cineworks.
- 1.3 "Equipment" means cinematography equipment and all other related equipment and accessories owned or leased by Cineworks hired by the Customer from Cineworks.

2. RENTAL FEE; TAXES

- 2.1 Rental Fee. The Customer shall pay Cineworks a rental fee (the "Rental Fee") being the amount payable for the rental of the Equipment to the Customer, in accordance with the Delivery Receipt ("Delivery Receipt") [and the rates in the Cineworks rental catalogue (the "Rental Catalogue")] unless otherwise agreed by Cineworks in writing as evidenced by the periodic invoices issued by Cineworks to the Customer. The minimum Rental Fee for overseas use is 1 week unless otherwise agreed by Cineworks in writing as evidenced by the periodic invoices issued by Cineworks to the Customer. Cineworks reserves the right to alter the rates in the Rental Catalogue without notice to the Customer.
- 2.2 Calculation. The Rental Fee shall be calculated from Delivery (defined below) until the Equipment is returned to Cineworks' place of business and is accepted by Cineworks Staff ("Return"). In the event that the Equipment is not returned by 9:00am on the working day following the last day of the hiring period, the Customer shall be liable for additional fees at the full daily rental rates set out in the Rental Catalogue for each day until the Equipment is returned. Unless otherwise agreed by Cineworks, cancellation of booked or reserved Equipment within 24 hours of the time specified for Delivery will incur a cancellation charge up to a maximum of 50% of the Rental Fee for the Equipment concerned.
- 2.3 Payment. The Customer shall pay the Rental Fee in the local currency of the Cineworks office that issued the invoice, without abatement, deduction or set-off, no later than 30 days after the date of Cineworks' invoice to Customer. However, Cineworks reserves the right to require payment in cash upon confirmation of order or Delivery if Cineworks so notifies the Customer. Past due amounts shall bear interest at the rate of 1.5% per month and the parties agree that such default interest is not a penalty but is a true measure of damages incurred by Cineworks. Payments received from the Customer will be credited first against any default interest and all such charges shall be payable on demand. In the event that the Customer fails to pay when due, the Customer shall be liable for all out-of-pocket costs incurred by Cineworks in collecting such amounts, including but not limited to reasonable outside legal costs and disbursements on a solicitor-client basis.
- 2.4 Taxes. The Customer will be solely responsible for any and all taxes, transportation charges, duties, broker fees, bond, and all other costs arising out of the Customer's hire, use or transportation of the Equipment or otherwise resulting from the customer's hire of the Equipment.
- 2.5 Voided Payments. Any payment made by or on behalf of a Customer which is later voided by the application of any statutory provision shall be deemed not to discharge the Customer's obligations to Cineworks and, in such event the parties are to be restored to rights and obligations which each respectively would have had if the payment had not been made.

3. EQUIPMENT

- 3.1 Delivery. The Customer shall be responsible for the collection and return of the Equipment except where prior alternate arrangements are made with Cineworks. Cineworks shall have absolute discretion as to the mode of delivery and the Customer shall, at all times bear the risk and the cost of delivery unless otherwise agreed by Cineworks. Delivery (including for the purposes of risk of loss) of the Equipment to the Customer shall be deemed to have taken place when the Equipment is placed on the vehicle or with a carrier which is to take it from Cineworks' place of business to the Customer's specified location ("Delivery"). Notwithstanding the foregoing, in the event that the Customer, its employees, contractors or agents test and or prep the Equipment at Cineworks' premises, the Customer shall bear all risk with respect to any damage to the Equipment or other liability caused as a result of the actions or omissions of the Customer, its employees, contractors or agents during such testing or prep. With each Delivery, Cineworks shall provide to the Customer a Delivery Receipt that shall itemise the Equipment delivered. Unless Cineworks receives written notice to the contrary from the Customer within 24 hours of Delivery, the Delivery Receipt shall be considered conclusive evidence that the listed Equipment was delivered in good working order.

- 3.2 Return. The Customer shall return the Equipment at the Customer's expense to Cineworks' place of business in the same condition as when received by the Customer, subject to reasonable wear and tear.
- 3.3 Use of Equipment. The Customer shall: (a) not use the Equipment for any purpose other than image capture, and related electrical distribution of the Customer's project and related matters (e.g., as tests, titles, added scenes, retakes and trailers); (b) not lend, sublet, pledge, or otherwise dispose of or encumber the Equipment, or permit anyone other than the Customer, persons under the Customer's direction and control (having appropriate qualifications and experience), or Cineworks, to have possession of, use, examine or evaluate the Equipment (c) not modify or disassemble the Equipment, except for the purpose of normal cleaning and maintenance in accordance with Section 3.6 below; (d) not attach anything to the Equipment by any means that causes damage to the Equipment; (e) take all reasonable precautions to avoid loss or damage to the Equipment during the period of hire; (f) advise Cineworks of any fault in the Equipment, within 24 hours of Customer's discovery of such fault (g) not, without the prior written consent of Cineworks, use the Equipment on any abnormal or hazardous assignment or transport the Equipment from the ground other than on a regular scheduled flight by a reputable airline.
- 3.4 Inspection. Cineworks shall have the right to inspect the Equipment or observe its use provided that Cineworks has given the Customer not less than 24 hours notice and such inspection is conducted during normal business hours at Cineworks' own expense and does not interfere with the production of the Customer's project.
- 3.5 Recovery. The Customer acknowledges that Cineworks may enter into or upon any such premises where the Equipment may be in order to remove the Equipment, without prejudice to the rights of Cineworks to recover from the Customer any monies due hereunder or any damages for breach hereof and the Customer indemnifies Cineworks in respect of any claims, damages or expenses arising out of any action taken under this clause.
- 3.6 Maintenance and Repairs (a) Normal cleaning of Equipment (including cleaning and oiling movements, cleaning lenses and filters, and general cleaning), replacing and cleaning ground glass, and basic troubleshooting (including swapping fuses and removable circuit-boards) (collectively, "Normal Cleaning and Maintenance") shall be done by Lessee at its cost and shall only be performed by persons who have been provided explicit maintenance and service instruction by Cineworks. If the required repairs exceed Normal Cleaning and Maintenance, Cineworks shall make such repairs, provided that Lessee returns such Equipment to Cineworks' Place of Business, unless Cineworks determines that such repairs may be carried out at the location where the Equipment is being used, in which case Cineworks may send a technician to such location for that purpose at Lessee's request and sole cost and expense. Cineworks shall make such repairs or to replace the Equipment as promptly as reasonably practicable.
(b) The cost of repairs or replacement resulting from reasonable wear and tear, or from any defect in the Equipment (the "Cineworks Covered Repairs") shall not be charged to the Customer, and, with respect to Cineworks Covered Repairs, the Customer shall not be responsible for transportation costs for sending the Equipment back to Cineworks' Place of Business nor for the Rental Fee for such Equipment during the period it is being repaired or until it is replaced ("Repair Transport and Rent"); however, the Customer shall still bear the risk of loss during such period. Repairs or replacement costs resulting from any other cause, including, without limitation, misuse, accident or abuse of the Equipment shall be charged to the Customer, including Repair Transport and Rent.
- 3.7 Ownership. The Customer's rights in relation to the Equipment are as a renter only and nothing herein shall be construed as conveying to Customer any right, title or interest, other than a temporary leasehold interest, in or to any Equipment or in or to any other property of Cineworks, including but not limited to, Cineworks' intellectual property. Cineworks may, but shall not be required to, identify the Equipment to indicate Cineworks' ownership by nameplate or other means, and the Customer agrees not to remove or deface such identification.

4. CREDIT

- 4.1 Credit Memorandum. The Customer acknowledges and agrees that its obligations with respect to Cineworks credits shall be governed by the terms of the Cineworks Credit Memorandum, a copy of which the Customer hereby acknowledges having received.

5. LOSS, DAMAGE, INSURANCE

- 5.1 Risk. The Equipment shall be at the Customer's risk from Delivery until Return except that acceptance of Equipment by Cineworks staff upon Return does not release the Customer from responsibility for loss or damage to Equipment pursuant to these Conditions of Business.
- 5.2 Loss. In the event that Equipment is lost, stolen, missing, destroyed, or damaged beyond repair while at the risk of the Customer, the Customer shall be liable for and agrees to compensate Cineworks for the greater of replacement cost (without deduction for depreciation) or the insurance value prescribed on Cineworks' schedule of insurance values, which is available upon request and subject to update from time to time. Further, with respect to any lost, stolen, missing, destroyed or damaged equipment, the Customer agrees to compensate Cineworks for the Rental Fee for the Equipment until the Equipment is repaired or replaced.

5.3 Customer Insurance. Customer shall, at its expense, obtain and maintain in full force and effect insurance in compliance with Section 5.4 covering any and all liability, claims, demands, actions, causes of action, loss, costs, damage and expenses arising out of or based upon the use or possession of the Equipment or the present or future fitness, quality, design, condition, repair, merchantability, functioning, performance or malfunctioning of the Equipment, or its material or workmanship, no matter how caused or occasioned, but excluding gross negligence or willful misconduct of Cineworks, its officers, directors, employees, agents, or representatives. Such insurance shall be written by reputable insurance carriers maintaining an AM Best Rating of A- and financial size 5 and must include an extension to include hire charges incurred on lost or damaged Equipment whilst it is being replaced or repaired in accordance with Section 5.2. Customer's insurers must be the primary insurers of the Equipment during the Term and coverage shall be written on a non-contributor basis. Prior to delivery of the Equipment, the Customer shall provide to Cineworks valid certificates of insurance complying with Section 5.4. Customer shall provide Cineworks at least 30 days prior notice of any proposed modification, alteration or cancellation of any such insurance. Customer agrees to inform its nominated insurer where any Equipment may be subjected to abnormal or hazardous conditions or possible damage by foreign materials such as salt, water, dust or sand so that full and appropriate insurance cover may be effected. Notwithstanding anything else in this Section 5.3, Customer shall remain primarily liable to Cineworks pursuant to the provisions of Section 5.1 and 5.2 above, and Cineworks may enforce its remedies hereunder directly against Customer without proceeding against the insurer.

(b) Minimum Requirements.

Type of Coverage (*)	Limits	Wording Requirements
Commercial General Liability Insurance	GBP 1 million per occurrence	Cineworks named as an additional insured
	GBP 5 million aggregate	Foreign territory extension, if filming outside the country of the Cineworks office issuing invoices for rental of the Equipment
Miscellaneous Equipment Floater	Equipment value as per Schedule B, plus GBP 250,000	Cineworks named as the loss payee Worldwide coverage Replacement cost basis without deduction Loss of use extension / continuation of hire
Automobile Liability for owned and non-owned and hired vehicles	GBP 1 million combined single limit	Cineworks named as an additional insured
Aircraft liability, if filming from an aircraft	GBP 5 million	Cineworks named as an additional insured
Workers Compensation Insurance	As required by applicable legislation	

5.5 Loss Procedures. In the event of loss or damage to the Equipment of any kind the Customer shall:
 (a) immediately notify Cineworks (and the Police where appropriate) and take all practicable steps towards discovery and recovery;
 (b) as soon as practicable, provide Cineworks with a full written report of the circumstances of the loss or damage to Cineworks and furnish Cineworks with any particulars or evidence as may reasonably be required by Cineworks.

6. EXCLUSION OF WARRANTY

6.1 Exclusion of Warranty. CINEWORKS MAKES NO REPRESENTATION OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, WITH RESPECT TO THE EQUIPMENT, INCLUDING, WITHOUT LIMITATION, THE FITNESS, QUALITY, DESIGN, CONDITION, REPAIR, MERCHANTABILITY, FUNCTIONING, PERFORMANCE OR MALFUNCTIONING OF THE EQUIPMENT, OR OF ITS MATERIAL OR WORKMANSHIP. The Customer further acknowledges that it has determined the Equipment as specified on the Delivery Receipt will be fit for its purposes and that it has not relied on the skill or judgment of Cineworks or any person purporting to act on its behalf in selecting such Equipment and that before taking delivery the Customer has checked the Equipment for completeness, correct functioning and suitability, including film testing of all cameras wherever practicable in a manner similar to that in which they will be used by the Customer on the production.

7. LIMITATION OF LIABILITY & INDEMNITY

- 7.1 Limitation of Liability. CINEWORKS' OBLIGATIONS WITH RESPECT TO THE EQUIPMENT ARE LIMITED TO THE OBLIGATIONS PROVIDED FOR IN SECTIONS 3.1 AND 3.6 AND THE CUSTOMER EXPRESSLY ACKNOWLEDGES AND AGREES THAT CINEWORKS (AND ANY MASTER LESSOR OF THE EQUIPMENT, INCLUDING BUT NOT LIMITED TO TECHNOCRANE, S.R.O.) SHALL NOT BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR EXEMPLARY DAMAGES, INCLUDING, WITHOUT LIMITATION, DAMAGES FOR LOSS OF PROFITS, USE, OR OTHER LOSSES RESULTING FROM THE FITNESS, QUALITY, DESIGN, CONDITION, REPAIR, MERCHANTABILITY, FUNCTIONING, PERFORMANCE OR MALFUNCTIONING OF THE EQUIPMENT, OR OF ITS MATERIAL OR WORKMANSHIP. The Customer expressly agrees to the additional terms set forth in Appendix A hereto.
- 7.2 Waiver & Indemnity. The Customer waives, releases and agrees to defend, indemnify and hold harmless Cineworks, its affiliates and related companies and each of their respective officers, directors, employees, shareholders, agents, representatives, insurance carriers, successors, licensees, and assigns, and each of them, from any liability, claims, rights of subrogation, demands, actions, causes of action, losses, costs, damages and expenses (collectively, "Claims") arising out of or based upon the Customer's breach of the terms of these Conditions of Business, subrogation claims by the Customer's insurers, or the Customer's use, possession, operation, and transport of the Equipment, including, without limitation, the preparation and testing of the Equipment (whether or not the preparation and testing takes place on Cineworks' premises), other than Claims arising out of or based upon the gross negligence or willful misconduct of Cineworks.

8. DEFAULT & REMEDIES

- 8.1. Default. It shall constitute an event of default ("Default") under these Conditions of Business: (a) if the Customer shall fail to pay the Rental Fee in accordance with these Conditions of Business, the Delivery Receipt and periodic invoices; (b) if the Customer shall do or permit any act or thing whereby Cineworks' rights in the Equipment may be prejudiced, or which constitutes illegal or improper use of the Equipment; (c) the Customer shall become insolvent or shall cease to conduct its business as a going concern, or shall apply for or consent to otherwise obtain the appointment of a receiver, trustee, administrator, liquidator or similar appointment to the Customer or assets of the Customer, or if proceedings are instituted under any applicable insolvency law; (d) if the Customer commits any breach of these Conditions of Business, the Delivery Receipt or the Cineworks Credit Memorandum other than as referred to in (a), (b), or (c) above and such breach has not been cured within 2 business days from the date of Cineworks' written notice to the Customer of such breach.
- 8.2. Remedies. In the event of a Default, Cineworks may: (a) demand immediate payment of all accrued and unpaid Rental Fees and any other amounts due and the Customer shall pay such amounts immediately upon such demand; (b) immediately terminate the Customer's right of possession and use of the Equipment and the Customer shall immediately return the Equipment to Cineworks, or Cineworks may, at the Customer's expense, enter into any premises where the Equipment may be located and repossess the Equipment. In addition, Cineworks may pursue any other remedy available to Cineworks at law or in equity, and each such right and remedy may be enforced concurrently with any other right or remedy.

9. GENERAL

- 9.1. Relationship of the Parties. Nothing contained in these Conditions of Business shall be construed to create a partnership between, or joint venture by, the parties, or to constitute either party the agent of the other party. The agreement between Cineworks and the Customer is not for the benefit of any third party (except indemnities or insured under Sections 5 and 7) and shall not be deemed to give any right or remedy to any such party whether identified in these Conditions of Business or not.
- 9.2. Severability. If any provision of these Conditions of Business is illegal, void or unenforceable, such provision shall be severable, and shall not affect any other provision of these Conditions of Business, and shall be deemed to be modified to the minimum extent necessary to avoid the illegality.
- 9.3. Successors and Assigns. These Conditions of Business shall be binding upon each party and its respective parent companies, affiliate companies,

I Have Read and Understood the above Terms and Conditions of Business

SIGNED:

PRINT:

DATE: