

BUSINESS AND LICENCE TERMS AND CONDITIONS
for Community End Users of Films

of

ARTinii Production s.r.o.

ID No.: 03409759

with its registered office at: Hybernská 1034/5, 110 00 Prague 1
entered in the Commercial Register maintained by the Municipal Court in Prague under File No.
231255

to govern the purchase of sub-licences for the use of films via the e-shop on
www.artinii.com or www.artinii.cz

1. INTRODUCTORY PROVISIONS

- 1.1. Pursuant to S. 1751 (1) of Act No. 89/2012 Sb., Civil Code, as amended (“**Civil Code**”), these Business and Licence Terms and Conditions (“**BLTC**”) of ARTinii Production s.r.o., ID No.: 03409759, with its registered office at Hybernská 1034/5, 110 00 Prague 1, entered in the Commercial Register maintained by the Municipal Court in Prague under File No. 231255 (“**ARTinii**”) regulate the mutual rights and obligations arising from or in connection with the registration and use of a user account and from or in connection with a sub-licence agreement (“**Sub-Licence Agreement**”) made with you via the e-shop titled “**ARTinii Film Marketplace**” operated by ARTinii on www.artinii.com or www.artinii.cz (“**Web Site**”) through the Web Site interface (“**E-shop Interface**”).
- 1.2. Provisions different from those laid down herein may be agreed on via the Sub-Licence Agreement. Such differing Sub-Licence Agreement provisions prevail over the provisions hereof.
- 1.3. The provisions hereof are incorporated in the Sub-Licence Agreement as an inseparable part thereof. The Sub-licence Agreement and these BLTC are made in the Czech language. The Sub-licence Agreement may be executed in the Czech language.
- 1.4. These BLTC may be amended and/or supplemented by ARTinii. This provision is without prejudice to the rights and obligations arising during the effective period of the prior version hereof.
- 1.5. “**ARTinii Film Marketplace**” is intended solely for legal entities and/or individuals over the age of eighteen (18) years. The services of “**ARTinii Film Marketplace**” may not be used by individuals younger than eighteen (18) years of age. Therefore, in case you are an individual, you confirm having reached eighteen (18) years of age. If you are an individual younger than eighteen (18) years of age, you must discontinue/end the process of User Account registration as well as the process of ordering film screening.

2. USER ACCOUNT

- 2.1. Based on your registration on the Web Site, you may access your user interface. From

your user interface, you may deliver Orders for the screening of films offered via the E-shop Interface (“**User Account**”).

- 2.2. During the process of User Account registration, you can enter, fill in, send or confirm within individual steps or phases your identification information or any other required information and data which, however, must be true and accurate; any information and data entered in your User Account are considered accurate by ARTinii. You may check and amend any information and data, including the possibility of detecting and correcting errors arising during the process of entering the same, before sending any information and data off. You are required to update the information and data you have entered in case of any change whatsoever.
- 2.3. Your User Account is protected against unauthorised access by a username and password. You are required to maintain the information necessary for accessing your User Account confidential.
- 2.4. You are not authorised to allow any third party to use your User Account.
- 2.5. ARTinii may cancel your User Account, especially unless you have used your User Account for a period exceeding twelve (12) months or in case you act in breach of your obligations arising from the Sub-Licence Agreement (including these BLTC).
- 2.6. You agree and acknowledge that your User Account is likely not to be accessible without interruptions, mainly with regard to necessary maintenance of ARTinii’s hardware and software and/or necessary maintenance of third-party hardware and software.

3. E-SHOP INTERFACE AND ORDER FORM

- 3.1. The E-shop Interface contains information on the films offered, including the prices for the screening. The screening prices are inclusive of any and all related charges, less VAT. The screening prices remain effective as long as displayed in the E-shop Interface. This provision is without prejudice to ARTinii’s having the option to enter into a Sub-Licence Agreement under terms and conditions agreed on individually.
- 3.2. The entire offer of films as presented in the E-shop Interface:
 - a) may be amended in time; ARTinii does not guarantee that the films, or the screening of films on offer in the E-shop Interface, will be available and each specific Order of a specific film, or specific film(s) screening, at a specific time and extent must be confirmed by ARTinii; and
 - b) is of an informative nature; you are not obliged to order the screening of the films or enter into a Sub-Licence Agreement regarding the screening of any such films. The provisions of S. 1732 (2) of the Civil Code do not apply.
- 3.3. To order the screening of a film(s), you are to fill in the information and data required in each step of the order form in the E-shop Interface. The order form specifies, in particular, the information as follows:

- a) screening venue/territory;
- b) number of screenings, etc.;
- c) payment terms and methods, etc.

(hereinafter jointly also referred to as “**Order**”).

- 3.4. During the process of completing an Order, in certain steps you have the option to check and amend the data entered in the Order, including the possibility to detect and correct errors which arise while entering the data in the Order. Any data and information entered in the Order are considered accurate by ARTinii. The Order is completed and delivered by clicking on the button “**PAY**” whereupon you will be redirected to the payment gateway.
- 3.5. By completing and delivering the Order, you certify that these BLTC become part of the Sub-Licence Agreement, you have familiarised yourself with these BLTC properly and consider them clear and comprehensible, and you agree to accept these BLTC as well as any legal conditions valid and effective at the time of completing and delivering the Order.
- 3.6. After receiving the Order, ARTinii will confirm its delivery by an e-mail delivered to your e-mail address as entered in your User Account or in the Order (“**Your E-mail Address**”).
- 3.7. Based on the nature of the Order (number of screenings, aggregate price for the screenings, etc.), ARTinii may ask you in each specific case for additional confirmation of your Order (such as in writing or by phone).

4. ENTERING INTO A SUB-LICENCE AGREEMENT

- 4.1. **A Sub-Licence Agreement and the sub-licence legal relationship thereunder come into existence upon the sending of a duly completed Order (by clicking on the “PAY” button) and by the payment of the aggregate price for the provision of the sub-licence made via the payment gateway in a manner and under the conditions arising from Article 9 hereof.** Such legal relationship is governed by these BLTC and by applicable provisions of the Civil Code and the Copyright Act, as amended.
- 4.2. You hereby give consent to the use of remote communication means for entering into the Sub-Licence Agreement. Any expenses you may incur in relation to using remote communication means for entering into the Sub-Licence Agreement (internet connection, telephone charges) are borne solely by yourself.
- 4.3. Entering into the Sub-Licence Agreement unless agreeing on any essential elements thereof as arising from the Civil Code and/or the Copyright Act is excluded pursuant to S. 1726 of the Civil Code. Pursuant to S. 1740 (3) of the Civil Code, ARTinii (and also the company Digsen being represented by ARTinii, for more details see Article 6.3 hereof) rules out the option of accepting a changed or differing offer (beyond the scope

of the data and information pre-entered in the Order). Any additions, changes or amendments which by their nature or factually do not pertain to the windows (blank spots) to be completed in the Order or are factually incorrect due to their nature or as regards their placement in a particular window (blank spot) in the Order do not constitute part of the Sub-Licence Agreement and are not considered binding.

4.4. None of the provisions hereof restricts ARTinii (and/or Digsen; for more details see Article 6.3 hereof) in their right to enter into any licence or sub-licence agreement with any party whatsoever under terms and conditions agreed on individually in specific cases. In such specific cases, the provisions of individual agreements (not entered into in a manner and under the terms and conditions laid down herein) different from these BLTC may be agreed on validly and prevail over the provisions laid down herein.

5. FILMS

5.1. The subject-matter of a Sub-Licence Agreement and any sub-licence relationship arising therefrom is a film(s) entered in a completed and approved Order, with the description, technical information and any other parameters of such film(s) being specified in the completed and approved Order (hereinafter such film or films also referred to using the singular form “**Film**”).

5.2. From the perspective of the listing of specific subjects of copyright or other legal protection in regard of which the sub-licence is granted by way of the Sub-Licence Agreement, a Film is understood to be:

- a) audio-visual recording of an audio-visual work (producer’s rights);
- b) audio-visual work in itself (director’s rights);
- c) any other audio-visual copyrighted works used as part of such audio-visual work/recording, except for musical works, whether with or without lyrics, provided that the property rights of the rights holders are administered by a collective administrator having competence over a certain territory (i.e., especially, but not limited to, the literary work upon which the audio-visual work is based; original idea; scenario; costumes; architecture and stage setting; camera; editing; light-design; artistic design; photos, etc.);
- d) performance of an actor, dancer, musician, singer, acrobat or any other performing artist;
- e) work of art, artistic performance and any other subject of intellectual or intangible property rights, including subjects of general personal rights protection under the Civil Code.

Examples of a Film include full-length actors’ films and/or cartoons, musical films, TV series, TV programmes, documentaries, music videos, concert recordings, theatre performance recordings, commercials, trailers, teasers, etc.

5.3. For the avoidance of doubt, we specifically point out that no authorisation arising from copyright or any other entitlement to exercise the right of use of a musical work, whether with or without lyrics, constitutes part of any Film and/or of the permission (sub-licence) granted by any Sub-Licence Agreement establishing a sub-licence relationship hereunder in cases where such work is part of the Film and the property rights of the rights holders are administered by a collective administrator having competence over a particular territory.

5.4. After a Sub-Licence Agreement is entered into in the manner described herein, you are granted the permission (sub-licence):

- a) to exercise the right of use of a Film based as specified in Article 5.1 hereof;
- b) which covers specific subjects of copyright or other legal protection which are incorporated or otherwise included in a Film as specified in Article 5.2 hereof;

all that in a manner and extent and under other terms and conditions hereof.

6. PARTIES OF SUB-LICENCE AGREEMENT

6.1. Based on the Film selected by way of the Order, Sub-Licence Agreements may be entered into (and legal relationships may arise) in the manner described herein between you on the one part and two different parties on the other part. That is, these BLTC govern the Sub-Licence Agreements and the legal relationships arising therefrom between you on the one part and two other parties on the other part depending on the Film specifically selected (unless expressly provided otherwise herein).

6.2. If you select a Film referred to in the Order as “**ARTinii Licence**”, the Sub-Licence Agreement and the legal relationship arising therefrom have the following nature and elements:

- a) the legal relationship arises between you and ARTinii upon a Sub-Licence Agreement entered into in the manner described herein between you as the sub- licensee authorised to use the Film and ARTinii as the licensor granting the licence whereby you are permitted to use the Film;
- b) within such legal relationship, ARTinii is a distributor deriving their right to enter into a Sub-Licence Agreement with you from their being the immediate sub- licensee (sub-licence holder) authorised to use the Film based on a licence or sub- licence agreement made with the licensor from whom ARTinii obtained the permission (licence or sub-licence) to use the Film including ARTinii’s right to grant the permission (sub-licence) to use the Film to you or other community end users;
- c) the grantor of the permission (licence or sub-licence) from whom ARTinii obtained the permission (licence or sub-licence) to use the Film including ARTinii’s right to grant the permission (licence or sub-licence) to use the Film to you or other community end users is understood to be any individual or legal entity such as a filmmaker (producer or co-producer) or distributor or any other licensee authorised

to use the Film including the right to provide the sub-licence for the use of the Film to third parties (“**Licensor**”).

6.3. If you select a Film referred to in the Order as “**Digsen Licence**”, the Sub-Licence Agreement and the legal relationship arising therefrom have the following nature and elements:

- a) the sub-licence relationship arises between you and Digsen s.r.o., with its registered office at Drahobejlova 1894/52, Libeň, 190 00 Prague 9, ID No.: 271 99 517, entered in the Commercial Register maintained by the Municipal Court in Prague under File No. C 103885 (“**Digsen**”) upon a Sub-Licence Agreement entered into in the manner described herein between you as the sub- licensee authorised to use the Film and Digsen as the licensor granting the sub-licence for the use of the Film;
- b) ARTinii is not a party of any Sub-Licence Agreement made between you and Digsen in a manner described herein and, accordingly, ARTinii is not a party of the legal relationship between you and Digsen;
- c) in a manner described herein, ARTinii enters into a Sub-Licence Agreement with you only as a direct agent of Digsen based on a direct agency agreement made with Digsen from which ARTinii obtained the right to act on behalf and account Digsen in entering into Sub-Licence Agreements for the use of Films referred to as “**Digsen Licence**” with you or any other community end users.

7. MANNERS OF USE

7.1. The permission (sub-licence) to use the Film covers solely and exclusively the use of a Film recording and transmission of such recording in accordance with S. 20 (1) and (2) of the Copyright Act, i.e., use of the Film in the form of screening via a software player titled “**Artinii Cinema Player**”, and that solely and exclusive in the form of so called “*non-theatrical*” use, that is, by direct screening to an audience only in the venues or on the premises as follows: schools, universities, colleges, kindergartens/child groups, nurseries, film clubs/societies, small cinemas (only to the extent that such screening is part of a broader event such as a festival, exhibition, screening for a specific group of people - old age pensioners, etc.), libraries, prisons, restaurants, night clubs, bars, pubs, karaoke rooms, cafés, spas, parks and similar leisure activity premises, retail premises (shops/shopping malls/shopping centres), hairdressing salons, hospitals, day-care centres, nursing homes, public buildings, councils, church services, airport lounges, youth clubs, community/sports clubs, health clubs, corporate or company clubs and events, trains, expositions, third-party promotional events, banks, dentist offices and waiting rooms, caravan parks, camps, military/army or government buildings, coaches and guides (jointly also referred to as “**Sub-Licence**”).

7.2. For the avoidance of doubt, no Sub-Licence covers the right to disseminate a Film pursuant to S. 18 (2) of the Copyright Act, i.e., to communicate a Film in public via the internet or mobile networks, not even as part of any “video on demand” services or other forms of streaming.

8. SUB-LICENCE EXTENT

8.1. Any Sub-Licence granted to you is:

- a) **non-exclusive**;
- b) **territorially restricted to the territory of the country (countries) specified in a confirmed Order**;
- c) **time-restricted** to the period of **twelve (12) months** from the date of the Sub-Licence Agreement (i.e., from delivery of receipt confirmation/acceptance of an Order delivered to you by ARTinii to your e-mail address), **such period not to exceed the date specified in the Film card in the E-shop Interface**;
- d) **quantity-restricted** to cover **the number of screenings** specified in a confirmed Order;
- e) **technically restricted** to allow use solely and exclusively via “**ARTinii Cinema Player**” while also disabling playing of the Film via other technical means;
- f) **less the right** to grant full or partial Sub-Licence to third parties and less the right to assign full or partial Sub-Licence to third parties.

8.2. You are not obligated to make use of the Sub-Licence.

9. SCREENING PRICE

- 9.1. For being granted a Sub-Licence, you must pay an aggregate price based on the amounts given in the Film Screening Price List accessible in the E-Shop Interface or on the Web Site (“**Price List**”).
- 9.2. The aggregate price reflects the amounts given in the Price List and is calculated based on the price for a single screening of a Film, the number of the screenings ordered for specific localities based on their capacity and territory. The aggregate price is displayed after you enter the Film in your on-line shopping cart. The amounts given in the Price List are final, full and binding and may not be adjusted without a specific agreement between you and ARTinii (or Digsen represented by ARTinii).
- 9.3. You are required to pay the aggregate price for the Sub-Licence by a payment card immediately after sending off a completed Order (by clicking on the “PAY” button). Upon doing so, you will automatically be redirected to ARTinii’s processing bank that will ask you to enter your payment card information: payment card number, card expiration date and CVV2/CVC2 - the last three numbers printed on the payment card signature panel. You are to enter the information directly on the payment site of the processing bank which will ensure indecipherable data transmission and communicate to ARTinii only the authorisation result, thus giving the instruction for the processing of the Order. This eliminates the possibility of unprotected data free transfer via a public computer network. You will be advised of the transaction result by e-mail. ARTinii accepts the following payment cards: VISA Electron, VISA, Maestro (if such cards are

included in the 3D-Secure system by the issuing bank), MasterCard. The logos “Verified by Visa” of the Visa Card Association and “MasterCardSecureCode” of the MasterCard Card Association guarantee a secure payment via ARTinii’s e-shop.

- 9.4. ARTinii does not require any advance or any other similar payment from you. This is without prejudice to the provision of the preceding paragraph concerning the obligation to make the payment of the aggregate price in advance.
- 9.5. To the extent that it is standard business practice or laid down by generally binding legal regulations, ARTinii will issue to you a tax document – invoice in regard of the payments made under the Sub-Licence Agreement. **ARTinii is a VAT-payer.** Such tax document – invoice will be issued by ARTinii after you have paid the aggregate price and delivered electronically to your e-mail address.

10. OBLIGATIONS IN REGARD OF PREVENTION OF ILLEGAL FILM/MUSIC DISSEMINATION

- 10.1. You are not allowed to make any copies or secondary recordings of a Film on any audio, visual or audio-visual medium during any authorised screening for viewers carried out in accordance with a Sub-Licence Agreement. You are obligated to prevent, on your own responsibility and account, any misuse and/or making of unauthorised copies and/or recordings of a Film on any audio, visual or audio-visual medium during authorised screening of the Film for viewers carried out in accordance with a Sub-Licence Agreement, and to make every effort as may be required and necessary to make sure none of that is done by a third party including your staffs, colleagues, employees and viewers.
- 10.2. Having regard to the fact that no Sub-Licence includes the permission to exercise the right of use of a musical work, whether with or without lyrics, in cases where the property rights of the respective authors or other holders of the rights in such musical works are administered by a collective administrator having competence over a specific territory, you are required to obtain, at your own risk and responsibility and on your own account, the permission (licence) for the use of such musical works, whether with or without lyrics, which form part of a Film and in regard of which the property rights are administered by a collective administrator competent over the specific territory, with such permission (licence) to be obtained via the competent collective administrator. As part of this obligation, you are also required to settle any and all financial as well as other claims of the collective administrator and/or rights holder related to the use of such musical works, whether with or without lyrics, which constitute part of a Film in using the Film. ARTinii (and Digsen represented by ARTinii) assumes no liability for illegal use of musical works, whether with or without lyrics, arising from the use of a musical work, whether with or without lyrics, in using a Film.

11. TERM OF SUB-LICENCE AGREEMENT

- 11.1. Any Sub-Licence Agreement is made for the period of duration of Sub-Licence pursuant to Article 8.1 c) hereof.

12. WITHDRAWAL FROM SUB-LICENCE AGREEMENT

- 12.1. If you materially breach your contractual obligation and fail to remedy such breach within fifteen (15) days after you are notified of such breach by ARTinii (or by Digsen represented by ARTinii) in writing, ARTinii (or Digsen represented by ARTinii) may withdraw from the Sub-Licence Agreement in writing. Such withdrawal becomes effective as of the day when you are delivered the written notice of withdrawal. For these purposes, delivery of an e-mail to your e-mail address is sufficient for complying with the condition of delivery in a written form. As of the effective date of such withdrawal, you must refrain from any continued use of the Film.
- 12.2. For the avoidance of doubt, you are considered to be in material breach of obligations if, among other things, you fail to perform or fail to comply with the conditions and requirements arising from Articles 2.2 and/or 2.3 and/or 2.4. hereof; if so, ARTinii (or Digsen represented by ARTinii) may immediately withdraw from the Sub-Licence Agreement (without granting an additional period for rectification) with effect as of the day when you are delivered the notice of withdrawal.
- 12.3. Withdrawal from the Sub-Licence Agreement in accordance with this Article is without prejudice to a claim for damages under generally binding legal regulations.

13. SUB-LICENCE AGREEMENT TERMINATION

- 13.1. ARTinii (or Digsen represented by ARTinii) may terminate any Sub-Licence Agreement by written notice of termination without cause and without a notice period. For these purposes, delivery of an e-mail to your e-mail address is sufficient for complying with the condition of delivery in a written form. As of the date of delivery of such written notice, you must refrain from any continued use of the Film.

14. AMENDMENTS

- 14.1. ARTinii may supplement and/or amend these BLTC provided that such supplementations and/or amendments will not affect the rights and obligations arising prior to the effective date of the current BLTC version (i.e., during the effective period of the prior version of BLTC); any amendments and/or supplementations to these BLTC made after the date of the Sub-Licence Agreement are considered ineffective in relation to the specific (individual) relationship between you on the one part and ARTinii (or Digsen represented by ARTinii) on the other part and any amendments and/or supplementations to the Sub-Licence Agreement may be made only upon written agreement between both the Parties. For these purposes, the requirement of a written form is complied with in case of mutual e-mail communication carried out via official contact e-mail addresses of ARTinii and your e-mail address.

15. GOVERNING LAW

- 15.1. Insofar as the sub-licence legal relationship established by a Sub-Licence Agreement contains an international (foreign) element, the Parties agree that the sub-licence legal is governed by Czech laws. The choice of law under the preceding sentence does not

deprive you (to the extent that you are a consumer) of protection available to you under such legal provisions from which the contract must not divert and which in case of inexistence of the option of choice of law would apply in accordance with Article 6 (1) of Regulation (EC) No. 593/2008 of the European Parliament and of the Council of 17 July 2008 on the law applicable to contractual obligations (Rome I).

16. PERSONAL DATA PROTECTION (GDPR)

- 16.1. You agree and acknowledge that ARTinii may use your personal data and personal data of your agents and co-workers involved in the process of Film licensing and/or distribution which ARTinii obtained in connection with entering into a Sub-Licence Agreement (your name and surname, your e-mail address entered within the process of user account registration, IP address and, as the case may be, also your phone number, place of residence if you are an individual, and payment card information entered in the payment gateway during the process of Order completion, if any) for the purposes of administrative processing of such data, fulfilment of the obligations arising from the Sub-Licence Agreement and fulfilment of the obligations arising from applicable legal regulations for as long as the last of the legitimate processing grounds continues to exist (especially during the term of the Sub-Licence Agreement).
- 16.2. ARTinii takes any and all necessary measures of a technical and organisational nature with regard to personal data processing and uses all the personal data solely for the purposes specified above and in accordance with applicable personal data protection legal regulations (especially Regulation (EU) 2016/679 of the European Parliament and of the Council on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) (“**GDPR**”), Act No. 110/2019 Sb., Personal Data Protection Act, as amended, etc.).
- 16.3. To fulfil ARTinii’s notification duty in relation to you arising from Article 13 GDPR which is associated with the processing of your personal data for the purposes of performance of the Sub-Licence Agreement, negotiations on the Sub-Licence Agreement and performance of ARTinii’s obligations arising from public laws, ARTinii uses a special document.

17. COMMERCIAL COMMUNICATIONS DELIVERY

- 17.1. Pursuant to S. 7 (2) of Act No. 480/2004 Sb., on certain information society services and amending certain other laws (Certain Information Society Services Act), as amended, you agree that you may be delivered commercial communications by ARTinii to your e-mail address or via your phone number as specified in an Order sent off. To fulfil their notification duty under Article 13 GDPR in relation to you which is associated with the processing of the Buyer’s personal data for the purposes of commercial communications delivery, the Seller uses a special document.

18. DELIVERY

18.1. Any communications may be delivered to your e-mail address.

19. FINAL PROVISIONS

- 19.1. Should any provision hereof be or become in future invalid or ineffective, such provision is replaced with a provision whose meaning is as close to the invalid provision as possible. Invalidity or ineffectiveness of one provision is without prejudice to the validity of the remaining provisions hereof.
- 19.2. You hereby assume the risk of change of circumstances under S. 1765 (2) of the Civil Code. You have no rights as arising from the provisions of SS. 1973 through to 1795 of the Civil Code on disproportionate performances.
- 19.3. These BLTC enter into effect as of 15. 9. 2020. The Sub-Licence Agreement enters into effect as laid down in Article 4 hereof.