#### Conditions of subscription

#### I. Conclusion of contract

- The contract shall be concluded with the Customer's signing
  of the letter of confirmation for the appointed date/contract
  of film showing, sent out upon Customer's request by
  Friedrich-Wilhelm-Murnau-Stiftung, Wiesbaden (hereinafter
  called the Foundation)
- Regarding the execution of the contract each film title shall be considered as a separate order. If the acceptance of one film title should be made dependent on the delivery of other film titles, this will require a special agreement.
- The Foundation will make available, as far as given, some digital advertisement material for the film titles ordered.
- Any diverging, opposing or supplementary stipulations shall for their effectiveness always require the written consent by the Foundation.

# II. Accounting of the portion of distribution (film rent) /payment modalities /default Prepayment /distribution at fixed price /complimentary tickets

- 1. At a proportional participation, the Customer shall have to hand over immediately, or within seven (7) days after the last day of showing at the latest, a final sound account established according to ordinary commercial principles. The payment of the film rent shall be made no later than 7 days after the date of invoice. In case of non-compliance with this term the Customer shall be in default, without a reminder being required.
- 2. If the Customer defaulted in payment the Foundation shall be authorized to claim default interest at the rate of 8% above the basic interest. After the second letter sent out by the Foundation demanding payment the Customer shall be liable to pay 5 Euro per reminder as a fine for the expenditure accrued for the Foundation by the reminders.
- 3. There shall be deducted from the gross proceeds the VAT to the rate of at present 7%, as well as the FFA-duty to the rate of at present 2,4%, if applicable. The net amount resulting thereof shall form the assessment basis for calculating the net film rent.
- 4. The admission fees to be accounted are the prices really demanded by the Customer, or at least the prices fixed in the corresponding order contract resp. the film order. Complimentary tickets are only allowed within the scope arranged with the Foundation.
- Any prepayment arranged in the order contract shall be payable immediately after signing the order contract. An allin fixed price, arranged in the order contract, or a minimum guarantee shall always be paid in advance in case of an event abroad.
  - The Customer shall have no right of delivery of the copy resp. the film material when the amount payable in advance has not been paid in good time to arrive on the Foundation's bank account 14 days before the first day of showing.
- At each payment it must be indicated for which film title it is being made. The bank connection is to be found on the accounting form.

## III. Checking of account

At a proportional participation the Customer has to present upon request to the Foundation or to a notary in charge all documents for the accounting that are connected with the proceeds from the sale of tickets, for inspection. Also he must give any information requested concerning the case. The Customer shall be liable to bear the costs of the checking if this had verified the incorrectness of an account to the Foundation's disadvantage.

# IV. Delivery /return, dispatch /right of retention /bearing of risk

- All and any material delivered to the Customer shall remain in the sole property of the Foundation.
- The delivery, return and passing on of the film and advertising material shall be made at the expense and risk of the Customer, as far as nothing else was stipulated.
- The Customer shall also be responsible for the safe-keeping of the material delivered, he shall bear the risks of damage, loss and ruin of the film material while it is under his custody.
  - custody.

    He shall be liable to effect a sufficient insurance at an insurgence agency. The Foundation may request evidence of the insurance taken.
- 4. The Customer shall be liable to send back the film and advertisement material immediately after termination of the last presentation, carefully packed, to Friedrich-Wilhelm-Murnau-Stiftung, Murnaustraße 6, 65189 Wiesbaden, unless he is expressly ordered by the Foundation to send the film and advertisement material to another address. In the case of the supply of a DCPS the Customer shall be liable to remove the data from his server. For each day on which the Customer intentionally or negligently keeps the copy of the film title beyond the agreed run of showing, he

- shall pay the Foundation, without prejudice to other claims, a compensation at the rate of the film rent missed.
- The Customer shall not be entitled to a right of retention of the film material, no matter for whatever pretended reason he might want to assert a right. He can also not charge the return of the film material with COD to be paid for delivery.
- The Foundation shall have the right to refuse the delivery of further film titles because of any arrears in payment or a non-payment of the film rent.

#### V. Late or damaged delivery

- 1. If a film does not arrive at the Customer, or arrives not punctually or in a condition not playable, the Customer must inform the Foundation about that immediately via telegraph, e-mail or telephone. The Foundation cannot accept responsibility, at a punctual dispatch, for a punctual arrival at Customer. The contracting parties may then agree upon a new date. If the Customer has by fault not given notice of the delay or non-playability, and a showing is no longer possible, the Customer shall have to compensate to the Foundation the damage sustained by the shows missed.
- 2. The contracting parties shall not be liable as far as the delivery or the showing of a film title is prevented or delayed by force majeure, or by any other circumstances independent of their will, in particular by non-release, revocation of the release, loss of the negative, or prohibition of the film. As far as that goes, they both shall be exempt from their obligation to render performance. For the rest, the Foundation's liability shall be limited to intent and gross negligence.

#### V. Notice of defects

- 1. The Customer shall be liable to immediately notify any damage in writing to the Foundation giving a short description of the defects and, at damages caused by fire or a criminal offence, to immediately inform the competent police office having officially confirmed the cause and extent of the damage, and to send the acknowledgement to the Foundation. The Customer shall also be liable to notify the damage to his insurance company and to present the Foundation's account to it.
- 2. If the film material arrives at the Customer's premises in a damaged state, he must immediately advice the Foundation in writing of this and give a short description of the defects. In case of a violation of this obligation there will be the assumption that the damage has happened in the house of Customer, with the consequence that Customer will lose his rights regarding defects.
- The Customer shall not be allowed to show a damaged copy, unless a substitute copy immediately requested by him does not arrive before the beginning of the showing run as agreed, what has to be evidenced accordingly.
- 4. If the material proves to be faulty, the Customer may claim retroactive performance, i.e. of his choice claim the elimination of the defect or the delivery of a perfect material. The Foundation may refuse retroactive performance if this is only possible with disproportional costs. If repairs by the Foundation fail, or if the Foundation refuses retroactive performance or does not render this performance within a reasonable period fixed by the Customer, this one may reduce the film rent or withdraw from the contract and claim compensation of wasted expense or claim for damages instead of the performance. The Customer's rights of withdrawal and damages instead of performance shall be excluded if the defect is only insignificant.
- 5. The Customer shall not be entitled to rights due to defects caused e.g. by an erroneous or improper use, treatment, examination, repair, alteration, damaging, mounting or processing of the material or otherwise by the violation of contractual rules and specifications on the side of the Customer or by a third party.

# VII. Right to show /violation of it /Use of material/broadcasting /TV transmission

- 1. As far as the delivered material is protected by copyright, the Foundation grants to the Customer, with handing-over the material, a simple non-exclusive contractual right for one cinema and for showing the film. The authorization to show the film shall only be valid for the cinema mentioned in the order contract resp. the film order, and for the showing date(s) fixed therein. Any showing not in accordance with the contract shall obligate the Customer to pay damages.
- 2. As far as the delivered material is not protected by copyright, the Customer can use this material of the Foundation with handing-over of the material for the cinema mentioned in the order contract resp. the film order and for the showing date(s) fixed therein. Any showing not in accordance with the contract shall obligate the Customer to pay damages.
- 3. As long as the film as subject matter of the contract is placed at disposal as an unencrypted Digital Cinema Package (DCP), the respective data may only be fed into the Customer's server for the date(s) of showing as fixed in the order contract. After the end to this presentation the data must be removed from the server.

- As long as the film as subject matter of the contract is placed at disposal as an encoded DCP the Customer shall bear the costs of the key.
- 5. After termination of this showing the digital advertising materials shall also be removed from the server.
- Any form of multiplication, re-recording, passing on, or another type of usage of the film/materials or data left is expressly forbidden.
- 7. Besides that the Customer has to make sure that no unauthorized copies of the film, especially by e.g. filming during the show, are being made, and he has to take in good faith all necessary measures for that in order to prevent unauthorized copying.
- The Customer shall not be authorized, without a written consent by the Foundation, to arrange for showings of films or of parts of films by broadcast or television or any other media, or to have them made.
- As far as the Customer has to pay music royalties for a showing in his cinema, there is no claim against the Foundation of a restitution of such duties.

#### VIII. Fixing of a date and run of showing

- The dates of showing and/or the run shall be fixed in the order contract. The fixed date of showing shall be binding.
   The Foundation may request the abandonment and change of showing dates in the branch-typical way even after the confirmation of the order. It must therein show consideration for the Customer's justified interests.
  - The Customer shall be liable for the non-observance of showing dates, as far as he is responsible for that and a damage is caused for the Foundation by the non-observance of the showing date.
- 2. The Foundation shall be liable, upon request of Customer, to give all information to Customer before delivering the film that are useful for the precise identification of the film regarding its country of origin, its year of production, the scope of its release, a possible rating and other things alike. The Foundation shall remind the Customer of the age release. The FSK-release may be inspected by the Customer himself at FSK (film self-control).

#### IX. Use

- The Customer shall have to present the film material on technically perfect projection machines and in a technically perfect manner.
- 2. Since all the film copies as subject matter of the contract are exclusively archive copies, the Customer must urgently take note of the fact and take responsibility that the coupling of the copies is not desired. If a playback in the cross-file procedure should not be possible, then it is possible to couple at given spots of coupling marked in orange. Outside of the given coupling spots this is forbidden. In case of offence there will be invoiced 50 € per spot of spice. The film copies will be inspected after each use for length, coupling spots, damages of perforation and at pictures. Newly created damages will be charged.
- 3. If there is the suspicion that mistakes in handling the film material are made or that there are defects or technical shortcomings in the projection devices, the Foundation shall be entitled to control the treatment of the film material and the conditions of the projection installation. It may rely upon the services of an expert for that. The Customer must give the assistance necessary for the control to the Foundation or to its expert.

If any mistakes in handling the film material or defects in the projection installations are verified, or if the agent delegated to carry out the control check is banned from access to the projection room, the Foundation may stop the delivery of other film titles, without prejudice to its claims for damage, until the elimination of the defects has been proved to it.

## X. Announcement

As far as possible there should be the following hint regarding the film(s):

With kind compliance of the Friedrich-Wilhelm-Murnau-Stiftung

## XI. Place of performance, jurisdiction, applicable law

- The place of performance and the jurisdiction for both contracting parties shall be Wiesbaden as far as legally admissible.
- 2. The contractual relationship is subject to the law of the Federal Republic of Germany.

Wiesbaden, September 23rd 2014 Friedrich-Wilhelm-Murnau-Stiftung