

STRATEGIC ALLIANCE AGREEMENT

BETWEEN

CJ 4DPLEX CO., LTD.

AND

ATAVUS GROUP LIMITED

DATED AS OF

FEBRUARY __, 2014



THIS STRATEGIC ALLIANCE AGREEMENT (this “**Agreement**”) is dated as of February __, 2014 (the “**Effective Date**”), and entered into by and between CJ 4DPLEX CO., LTD., a corporation existing and incorporated under the laws of the Republic of Korea (“**Korea**”) whose registered office is at 451 Samil-daero (70 Gyeongun-dong), Jongno-gu, Seoul, South Korea (“**4DX**”), and Atavus Group Limited, a company existing and organized under the laws of Commonwealth of The Bahamas whose registered office is at Balfouf Ct #9, P.O. Box: AP57057, New Providence, Bahamas (“**Exhibitor**”). Each of 4DX and Exhibitor will be referred to herein as a “**Party**” and will collectively be referred to herein as the “**Parties**.”

NOW, THEREFORE, in consideration of the mutual promises, covenants and undertakings set forth herein, the Parties agree as follows:

1. PURPOSE, SCOPE AND COOPERATION

1.1 Purpose: 4DX is in the business of developing and selling the entertainment presentation system composed of 4DX Equipment, 4DX Software, 4DX Code, and 4DX Documents which, when operating in conjunction with the simultaneous theatrical exhibition of 4DX Content, creates a 4DX Presentation. Exhibitor intends to purchase 4DX Equipment and license 4DX Software and 4DX Code from 4DX, and install, maintain, operate, exhibit and promote the 4DX System in conjunction with the 4DX Brand/Trademark in one or more theatrical exhibition Complexes owned or operated by Exhibitor in the Territory.

1.2 Scope: 4DX shall provide certain services to Exhibitor relating to the installation, operation and maintenance of the 4DX System as set forth below. Those services include obtaining the right to encode Licensed Content from Content Providers for 4DX Presentations, encoding such Licensed Content, and providing such encoding to Exhibitor for the purpose of 4DX Presentations of Licensed Content to which Exhibitor shall have separately secured exhibition rights from Content Providers.

1.3 Good Faith Cooperation: Exhibitor and 4DX shall perform their respective obligations hereunder in good faith and act in cooperation with each other on the matters contemplated under this Agreement. Such cooperation shall include complying with all reasonable requests to share information and to meet and confer (whether through email, teleconference or as otherwise determined by the Parties) in furtherance of the intent of this Agreement.

2. DEFINITIONS, OTHER INTERPRETIVE PROVISIONS, HEADINGS

2.1 Definitions

These meanings apply unless a contrary intention appears:

- (1) **2D Base Ticket Price** means, for each title of 4DX Content exhibited as a 4DX Presentation in a particular Complex, the total admission revenue divided by the total attendance from all non-4DX 2D presentations of the same title in such Complex for the same time period (in whole or part) that the 4DX Content is exhibited as a 4DX Presentation, provided that, if such title is not exhibited as a non-4DX 2D presentation during the same time period as the 4DX Presentation, then it means the total admission revenue divided by the total attendance from non-4DX 2D presentations of all titles in such Complex during such time period.
- (2) **3D Base Ticket Price** means, for each title of 4DX Content exhibited as a 4DX Presentation in a particular Complex, the total admission revenue divided by the



total attendance from all non-4DX 3D presentations of the same title in such Complex for the same time period (in whole or part) that the 4DX Content is exhibited as a 4DX Presentation, provided that, if such title is not exhibited as a non-4DX 3D presentation during the same time period as the 4DX Presentation, then it means the total admission revenue divided by the total attendance from non-4DX 3D presentations of all titles in such Complex during such time period.

- (3) **4DX Advertising Revenue** means all revenues paid or credited to Exhibitor in connection with any advertising that is unique to a 4DX Auditorium or which utilizes or trades off the 4DX Brand/Trademark or the 4DX System, including without limitation content encoded and presented in the 4DX System.
- (4) **4DX Auditorium** means each single screen auditorium in a Complex in which a 4DX System has been installed and that can be utilized for a 4DX Presentation. Such auditoriums are identified in Schedule 1 attached hereto (which includes information concerning the location and diagram of the Complex and each auditorium, number of seats in each auditorium and a number of auditoriums in each Complex), as it may be amended from time to time.
- (5) **4DX Auditorium Sponsorship** means the right of a third party to promote its name in or in connection with a 4DX Auditorium with resulting revenues to be divided between Exhibitor and 4DX as provided in this Agreement.
- (6) **4DX Auditorium Sponsorship Revenue** means all revenues paid or credited to Exhibitor in connection with a 4DX Auditorium Sponsorship.
- (7) **4DX Code** means the software programmed by 4DX to conform to and synchronize with the digital cinema package (DCP) for each title of 4DX Content, which when downloaded to the 4DX Control System will send signals to the applicable 4DX Motion Chairs and Environmental Effect System to create a 4DX Presentation.
- (8) **4DX Content** means all motion pictures, trailers and other content of every kind (whether now known or hereafter devised), including but not limited to Licensed Content and Exhibitor Requested Content, that is theatrically exhibited in concert with the operation of 4DX Code to create a 4DX Presentation.
- (9) **4DX Control System** means the system consisting of: (i) a system control unit (SCU) made up of an SCU rack, a system control PC which controls the 4DX Motion Chairs and Environmental Effect System in the 4DX Auditorium, an error monitoring PC, and an emergency switch; and (ii) an audio system in the form of a shaker amplifier rack which contains a digital audio processor that manages audio signals for shakers and shaker amplifiers that control the shakers for each 4DX Motion Chair.
- (10) **4DX Documents** means all technical specifications, manuals, policies and all other documents and writings provided by 4DX to Exhibitor in connection with the 4DX System or with the services furnished by 4DX, including but not limited to any 4DX Auditorium layout drawings and any manuals for the infrastructure of the 4DX Auditorium and installation, operation and/or maintenance manuals for the 4DX System and for all components thereof, and safety warnings or guidelines for



operating the 4DX System (as attached hereto or to be distributed separately by 4DX to Exhibitor).

- (11) **4DX Equipment** means 4DX Motion Chairs, the 4DX Control System, Environmental Effect System (including a fan, fog machine, strobe, bubble machine, and scent machine), Air & Water Supply System and other equipment (to the extent such other equipment is in addition to the standard digital projection equipment, digital 3D cinema systems and sound equipment commonly utilized to exhibit motion pictures in either 2D or 3D format, all of which shall be provided by Exhibitor) and any 4DX Software embedded in any component of each of the foregoing, that is provided by 4DX to Exhibitor and is required to create a 4DX Presentation in a 4DX Auditorium.
- (12) **4DX Motion Chair** means the motion chairs developed by 4DX which enables the audience to feel various motions and special environmental effects (e.g., air and water blasts, ticklers, shakers, etc.) during a 4DX Presentation.
- (13) **4DX Presentation** means the theatrical exhibition of 4DX Content in a 4DX Auditorium combining onscreen action and sound synchronized with special environmental effects created by the 4DX System.
- (14) **4DX Software** means all of the software, other than 4DX Code, that is required in order to operate 4DX Equipment.
- (15) **4DX System** means the entertainment presentation system composed of 4DX Equipment, 4DX Software and 4DX Code which, when operating in conjunction with the simultaneous theatrical exhibition of 4DX Content, creates a 4DX Presentation.
- (16) **Air & Water Supply System** means the system that supplies pre-set shots of compressed air and sprays water/mist towards the facial area.
- (17) **Business Day** means any day that is not a Saturday, Sunday, holiday or other day on which commercial banks in either Korea or in the Territory remain closed.
- (18) **Business Hours** means the hours between 9:00 a.m. and 5:00 p.m. local time in the applicable area of the Territory.
- (19) **Calendar Day** means all days in a month (including weekends and holidays) or any day from Monday through Sunday without exceptions.
- (20) **Complex** means a building or buildings containing one or more auditoriums that is owned or controlled by Exhibitor and treated by Exhibitor and motion picture distributors as a motion picture theater.
- (21) **Consumables** means consumable products used in 4DX Equipment including, but not limited to, fog fluid, scent cartridges, bubble fluid, and strobe bulbs.
- (22) **Content Provider** means a theatrical motion picture distributor, including, without limitation, major and mini-major studios, and their respective affiliates.



- (23) **Environmental Effect System** means the system consisting of five components: (i) a bubble machine that generates bubbles, (ii) a fan that creates/blows air, (iii) a fog machine that generates smoke/fog, (iv) a scent machine that emits various scents, and (v) a strobe that generates flashing lights.
- (24) **Exhibitor Requested Content** means a 2D or 3D theatrical motion picture, trailer or other content that Exhibitor specifically requests to be programmed by 4DX for a 4DX Presentation (e.g., local content or alternative content).
- (25) **Licensed Content** means a 2D or 3D feature-length theatrical motion picture provided by a Licensed Content Provider that is (i) selected by 4DX and such Licensed Content Provider for programming by 4DX of 4DX Code for the applicable theatrical motion picture and licensed to 4DX for such purpose, and (ii) licensed to Exhibitor by such Licensed Content Provider for a 4DX Presentation in a 4DX Auditorium in the Territory.
- (26) **Licensed Content Provider** means a Content Provider who agrees to license the Licensed Content to 4DX and Exhibitor for 4DX Presentations in exchange for a share of revenues, including Surcharge Revenue as further provided in this Agreement.
- (27) **Out of Pocket Expenses** means reasonable expenditures for travel, accommodations, meals, telephone calls, local transportation and other incidentals incurred by a 4DX employee or contractor who travels to a Complex to provide relevant services on behalf of 4DX under this Agreement.
- (28) **Surcharge Revenue** shall have the meaning set forth in Section 15.1.
- (29) **Territory** means the Commonwealth of the Bahamas. Any additional countries or territories may be agreed to in writing by the Parties at any time.
- (30) **USD or \$** means United States dollars.

2.2 Other Interpretive Provisions: To the extent any term used in this Agreement has not been specifically defined, such term shall be given its common meaning in accordance with the Purpose, Scope and Good Faith Cooperation provisions set forth in this Agreement.

2.3 Headings: The headings of the sections contained in this Agreement are for convenience only and shall not be deemed to control or affect the meaning or construction of any section of this Agreement.

3. PURCHASE AND DELIVERY OF 4DX EQUIPMENT

3.1 Purchase and Delivery of Deliverables: Exhibitor shall purchase from 4DX, and 4DX shall deliver to Exhibitor, all the required components of 4DX Equipment (collectively, the “**Deliverables**”) in accordance with the terms set forth in Schedule 2 attached hereto (the “**Delivery Schedule**”) which terms shall include, but not be limited to, the quantity, price, outside delivery date (the “**Delivery Date**”), and final destination for each component. Exhibitor will separately purchase a 4DX-approved Air and Water Supply System to be used with the 4DX Equipment from a third-party supplier in the Territory in accordance with 4DX’s specifications and, after the Delivery Date, 4DX shall reimburse Exhibitor within thirty (30) Business Days after receipt of an applicable invoice for fifty percent (50%) of



the cost thereof. In addition to the individual prices set forth on the Delivery Schedule for each of the Deliverables, Exhibitor shall be responsible for any applicable taxes, duties and customs charges due and owing in connection therewith. The terms of payment by Exhibitor for the Deliverables are set forth in Section 17.1 hereof.

3.2 Shipping Terms: On or before the applicable Delivery Date and subject to the satisfaction of the conditions to delivery set forth in Section 3.3, 4DX shall, unless otherwise agreed by the Parties in writing, deliver the Deliverables to Exhibitor FOB Busan, Korea ("**Delivery**"). FOB (Free on Board) shall mean 4DX shall clear the Deliverables for export and be deemed to have completed Delivery of the Deliverables when they are on board a vessel at the Port of Busan in Korea. After 4DX has completed Delivery, Exhibitor shall be responsible for ensuring delivery of the Deliverables first to the local port(s) in the Territory, for customs clearance in the Territory, and delivery to the Complex and 4DX Auditorium set forth on the Delivery Schedule by no later than is required to meet the installation start date for the 4DX Equipment as set forth in Schedule 1 (the "**Installation Start Date**"). Exhibitor shall be responsible for the risk of damage or loss to the Deliverables after 4DX has completed Delivery and shall insure against such risk for the full replacement value of the Deliverables while in transit (in addition to any other insurance required hereunder). Unless otherwise defined or specified in this Agreement, in which event such definitions and terms shall control, all terms relating to the shipment and delivery of the Deliverables shall have the meanings ascribed to them under the INCOTERMS 2010, as set forth by the International Chamber of Commerce and which can be found at http://www.iccwbo.org/index_incoterms.asp.

3.3 Conditions to Delivery: 4DX's obligation to deliver the Deliverables shall be subject to Exhibitor satisfying the following conditions precedent and providing written evidence thereof to 4DX to 4DX's satisfaction: (a) Exhibitor having obtained all local authority certifications, permits, licenses and/or approvals necessary for the importation of the Deliverables, for the Site Preparation (as set forth in Section 4.1), and for installation of the 4DX Equipment in the 4DX Auditoriums in the Complex(es), and (b) Exhibitor having obtained the written consent of any owner or lessor of the Complex or any auditoriums in a form satisfactory to 4DX with respect to the installation, Site Preparation and operation of the 4DX Equipment in the Complex(es) (including the right to remove the Deliverables upon termination of this Agreement). The Parties further agree that the Delivery Date and Installation Start Date, as applicable, may be extended upon mutual written agreement of the Parties to provide Exhibitor reasonable additional time to perform its obligations after obtaining such certifications, permits, licenses and/or approvals.

4. SITE PREPARATION FOR THE 4DX AUDITORIUM

4.1 Infrastructure of Complex: Prior to commencing the installation of 4DX Equipment in a Complex, Exhibitor at its sole cost and expense shall make timely preparations (at least three months prior to the scheduled opening date) for the successful installation of 4DX Equipment in the applicable 4DX Auditorium (collectively, the "**Site Preparation**"), including but not limited to: (a) obtaining any necessary governmental permits, licenses and approvals for the 4DX Auditorium, including any changes thereto, and installation of the 4DX Equipment; (b) conducting and completing any necessary site surveys of each 4DX Auditorium in accordance with instructions to be provided by 4DX or as required by applicable law, regulation or ordinance; (c) upgrading, renovating or changing each applicable Complex and auditorium in accordance with all requirements of 4DX or the manufacturer of the applicable components of 4DX Equipment and as considered necessary or appropriate by any other relevant party (e.g., Exhibitor's contractors), including, without limitation, any necessary HVAC, electrical, electric wire or cable, air or water tubing, or other physical changes to such Complex; (d) installing a form of connectivity (e.g., high speed internet connection) mutually agreed upon by 4DX and Exhibitor for purposes of delivery of 4DX Code and any other software to be provided by 4DX to each Complex; and



(e) providing an Internet connection in the projection room in order to enable remote monitoring of the 4DX System from 4DX headquarters. The Parties agree to consult with each other in good faith during the Site Preparation in each Complex for installation of 4DX Equipment in each 4DX Auditorium.

4.2 Infrastructure Requirements: During the Site Preparation process, the Complex that is to be prepared for the installation of 4DX Equipment shall meet any infrastructure requirements set forth in 4DX Documents that are necessary to successfully install 4DX Equipment. Exhibitor shall be solely responsible for all Site Preparation requirements including infrastructure requirements.

4.3 Inspection and Approval by 4DX: Upon completion of the Site Preparation for each 4DX Auditorium, Exhibitor shall provide written notice thereof to 4DX. Within a reasonable time period after receipt of such notice, 4DX shall inspect each proposed 4DX Auditorium and, upon confirming that the requirements set forth above and in 4DX Documents have been satisfied, 4DX shall provide its approval to Exhibitor to commence installation of 4DX Equipment.

5. INSTALLATION OF 4DX EQUIPMENT

5.1 Installation by Exhibitor: Exhibitor shall, at its sole expense, be required to furnish all of the materials required for installation of the 4DX System, and provide properly trained personnel (to work with the 4DX Supervisor [as defined below]) necessary to commence the installation of 4DX Equipment in each 4DX Auditorium in each Complex set forth in the Delivery Schedule by the applicable Installation Start Date. Exhibitor hereby covenants that (a) it shall procure the services of qualified installation companies with an experienced workforce properly trained by 4DX or of persons authorized by 4DX to install 4DX Equipment in accordance with the specifications set forth in 4DX Documents and as directed by 4DX and the 4DX Supervisor; (b) it shall follow all qualification standards required by 4DX when selecting Exhibitor personnel and/or an outside third party installation company to perform installation and integration services with respect to the 4DX System; and (c) it shall provide personnel who can communicate effectively in English and, to the extent that such personnel require a translator, Exhibitor shall provide such translator at its expense. Exhibitor shall be responsible for any damage or loss to the 4DX Equipment occurring during installation and shall promptly repair or replace any damaged 4DX Equipment in accordance with 4DX's specifications.

5.2 Supervising Services by 4DX: During all or a portion of the installation process, 4DX shall furnish the on-site supervisory services of an engineer (the "**4DX Supervisor**") who shall oversee Exhibitor's installation of 4DX Equipment and perform services related thereto, including (a) conducting inspections of the auditorium to be converted to a 4DX Auditorium; (b) consulting with Exhibitor's technicians, engineers and employees; (c) assisting with drafting and making plan drawings, (d) performing final checks of the Site Preparation and infrastructure for the 4DX Auditorium for any Complex prior to installation; (e) testing, at Exhibitor's request, each component of 4DX Equipment in the applicable 4DX Auditorium; and (f) assisting, at Exhibitor's request, in the process of acquiring any required certifications and/or governmental approvals for the 4DX Auditorium (the "**Supervising Services**"). Exhibitor's employees and contractors shall follow the reasonable instruction of the 4DX Supervisor with respect to the foregoing matters. 4DX shall notify Exhibitor of the Supervising Fee to be incurred for such Supervising Services in accordance with Section 17 (**Payment of Revenues, Fees and Costs**) below. Upon mutual written agreement, 4DX may provide other installation support and resources at a cost to be allocated between the Parties as agreed to in such written agreement.

5.3 Inspection and Approval by 4DX: Upon completion of the installation and successful testing of 4DX Equipment in a 4DX Auditorium, Exhibitor shall notify 4DX thereof, and 4DX shall have the right to inspect and approve each such 4DX Auditorium in accordance with the checklist of



requirements attached as Exhibit 2 (Checklist for Certificate of Acceptance) prior to Exhibitor's operation of the 4DX System or opening of such 4DX Auditorium to the general public.

5.4 Completion of 4DX Auditorium: Upon completion of 4DX's inspection and approval of such 4DX Auditorium, 4DX and Exhibitor shall execute a Certificate of Acceptance substantially in the form attached hereto as Exhibit 3 (Form of Certificate of Acceptance) which certifies Exhibitor's acceptance of such completion with respect to the installed 4DX Equipment (the "**Certificate of Acceptance**"); provided that in no event shall Exhibitor operate the 4DX System or generate any revenues without first delivering the signed Certificate of Acceptance to 4DX and doing so shall be deemed to be Exhibitor's acceptance and execution of the Certificate of Acceptance. Neither Party shall unreasonably withhold approval or delay the signing of the Certificate of Acceptance if the other Party has completed its obligations under this Agreement.

6. ROLLOUT PLAN AND EXCLUSIVE RIGHTS

6.1 Rollout Plan: Exhibitor agrees to open and Commercially Operate at least one (1) 4DX Auditorium in the Territory by December 31, 2015 ("**Opening Requirements**"). "**Commercially Operate**" shall mean the Parties' execution of a Certificate of Acceptance for the 4DX Auditorium(s) and Exhibitor's opening of the 4DX Auditorium(s) to the general public for 4DX Presentations.

6.2 Exclusive Rights: 4DX shall grant Exhibitor the exclusive right to conduct 4DX-related business for a period of three (3) full years after the date of the Certificate of Acceptance of the first 4DX Auditorium in the Territory, only under the condition that Exhibitor fulfills the Opening Requirement specified in Section 6.1 above. If and only if Exhibitor opens and Commercially Operates one (1) 4DX Auditorium by June 30, 2015, then 4DX shall grant Exhibitor the exclusive right to exhibit 4DX Presentations in the Territory for a period of five (5) full years after the date of the Certificate of Acceptance of such first 4DX Auditorium.

6.3 Right of First Offer: For any period during which Exhibitor's exclusivity rights under Section 6.2 are not applicable, Exhibitor shall have a first right of negotiation ("Right of First Offer") with respect to the opening of any additional 4DX Auditoriums in the Territory during the Term, provided that Exhibitor has not breached any of its material obligations under this Agreement.

7. EXHIBITOR'S RESPONSIBILITY FOR COMPLEX AND 4DX AUDITORIUMS

7.1 Maintenance of Complex. Exhibitor shall provide to the Complex and each 4DX Auditorium all services customarily provided by owners and operators of first-class motion picture theaters in the Territory on all days during the Term unless otherwise expressly stated below. As a condition to 4DX's obligations under this Agreement, Exhibitor shall, at Exhibitor's own expense, keep the Complex and each 4DX Auditorium, including all improvements, fixtures and furnishings therein (including without limitation the screen, projection equipment, cinema server, and audio system of the 4DX Auditorium) in good working order, repair and condition to the standards necessary for full utilization and benefit of the 4DX System at all times during the Term, and in accordance with all applicable health and safety codes, laws and regulations and free from any defects or hazardous conditions or materials. Exhibitor shall be responsible for the maintenance and repair of all building systems and equipment (other than the 4DX Equipment if otherwise provided herein) servicing the Complex and 4DX Auditoriums as well as all mechanical, electrical and structural elements of the Complex and 4DX Auditoriums.

7.2 Repair of Damage to Complex by Exhibitor. If the Complex or any common areas of the Complex or 4DX Auditoriums shall be damaged by fire or other casualty, Exhibitor shall promptly



and diligently, subject to reasonable delays for insurance adjustment or other matters beyond Exhibitor's reasonable control, restore all improvements, base, shell, core, furniture, equipment (including the 4DX System) and fixtures of and on the 4DX Auditorium, Complex and such common areas. Such restoration shall be to substantially the same condition of the 4DX Auditorium, Complex and common areas prior to the casualty, except for modifications required by zoning and building codes and other laws or any other modifications to the common areas deemed desirable by Exhibitor.

7.3 Operating and Tax Expenses. Except for the costs and tax obligations expressly assumed by 4DX under this Agreement, Exhibitor shall be solely responsible for all operating expenses and tax expenses related to the Complex(es) and 4DX Auditoriums.

8. TECHNICAL SUPPORT TRAINING BY 4DX

8.1 Technician Training: In order to properly maintain the 4DX Equipment and the 4DX System as a whole, Exhibitor shall designate or hire at least one (1) qualified technician who will be trained by 4DX or by a 4DX-approved Senior Operator as defined below as the designated 4DX System maintenance technician (the "**Exhibitor's Technician**"). The 4DX Supervisor will train one or more Exhibitor's Technicians during or within a reasonable time period upon completion of the Site Preparation and the installation of 4DX Equipment to provide, and Exhibitor's Technician shall provide routine maintenance on the 4DX System, including the repair of minor functions, the replacement of minor parts and the performance of 4DX System testing pursuant to 4DX Documents. The Exhibitor's Technicians shall attend all mandatory training sessions offered by the 4DX Supervisor and shall be available to work with 4DX's technical team to be properly trained regarding the 4DX System. The content and duration of the training program will be determined by the 4DX Supervisor.

8.2 Replacement: Exhibitor shall immediately replace (with appropriate training as set forth herein) any Exhibitor's Technician who fails to render services as required by the 4DX Supervisor.

8.3 Exhibitor's Senior Operator: Exhibitor, with 4DX's consent, shall designate among the Exhibitor's Technicians at least one (1) senior operator ("**Senior Operator**") to perform the following: (a) communicate, as the main contact, with 4DX regarding operational, maintenance and other 4DX System issues, (b) disseminate information provided by 4DX to appropriate Complex and 4DX Auditorium personnel or staff, (c) train appropriate theater personnel with respect to the operation of the 4DX System (for clarity, the Senior Operator shall at all times be required to train, at Exhibitor's expense, all replacement Exhibitor's Technicians approved by 4DX), (d) perform 4DX System tests and diagnostics as requested by 4DX under this Agreement, and (e) follow procedures as provided during initial training provided by the 4DX Supervisor. The Exhibitor and Senior Operator's contact information shall be stated in Schedule 3 (Exhibitor's Technician Information).

9. MAINTENANCE AND OPERATION

9.1 General: During the Term, Exhibitor shall operate, maintain, repair and keep 4DX Equipment in good working order in accordance with Exhibitor's standard practices for other theatrical projection and related equipment owned or leased by it, and in accordance with the operation and maintenance standards set forth in 4DX Documents. In connection with the foregoing, Exhibitor shall maintain adequate theatre staff properly trained in the use of the 4DX System, which training shall include instruction on troubleshooting equipment and software (e.g., power failures, power surges, program rebooting, or loading 4DX Code). Exhibitor's maintenance obligations under this paragraph shall include routinely monitoring and maintaining the levels of Consumables in the 4DX Equipment. Notwithstanding the foregoing, Exhibitor shall not perform any of the actions or repairs set forth in Exhibit 5 (Prohibited Actions and Repairs) attached hereto unless expressly agreed to in writing by 4DX,



and Exhibitor agrees that 4DX shall have sole responsibility for all such actions and repairs. If 4DX determines that it is necessary or appropriate to provide additional on-site maintenance or to verify that operation of the 4DX System and 4DX Auditorium is of a level acceptable to 4DX, Exhibitor shall provide 4DX with access to the Complex and 4DX Auditorium and all components of the 4DX System at times mutually agreed upon by the Parties.

9.2 Maintenance Program

9.2.1 Telephone Support: In the event of a malfunction and/or failure of the 4DX System during the Term (either during or after the Warranty Period, as defined below), Exhibitor shall first notify 4DX via email, describing the nature of such malfunction or failure and providing all information on the 4DX Control System monitor regarding the specific malfunction or failure of the 4DX System. Exhibitor shall also attach to the email copies of the most recent Maintenance Report (Exhibit 6) and Error Report (Exhibit 7) as set forth in Section 9.3. 4DX will endeavor to respond by telephone or email to such request made by Exhibitor within twenty four (24) hours ("**Telephone Support**"). 4DX will use all reasonable efforts to contact the Senior Operator or an Exhibitor's Technician to understand the problem and to provide instructions regarding the repair of the 4DX System.

9.2.2 Regular Maintenance Visits: After the Warranty Period, 4DX will provide Exhibitor one (1) annual on-site maintenance visits per year which will consist of preventative maintenance, cleaning, inspections, and calibration of 4DX Equipment at times mutually agreed upon by the Parties at no additional cost other than the Maintenance Fee described in Section 17.3 of this Agreement (a "**Regular Visit**"). Such maintenance will specifically exclude any maintenance of the screen, projector, cinema server, and audio system of the 4DX Auditorium.

9.2.3 Emergency Visits: In the event that Exhibitor requests an emergency on-site visit in addition to the Regular Visits, Exhibitor shall notify 4DX via email and 4DX will reasonably determine whether such emergency on-site visit is necessary or the applicable maintenance issue can be otherwise resolved without such emergency on-site visit. In the event that an emergency on-site visit is necessary, then Exhibitor shall provide full support and cooperation for 4DX (e.g., assistance from Exhibitor's employees). If 4DX determines that a visit is required due to Exhibitor's negligence, misconduct, failure to properly complete the Site Preparation, failure to properly install 4DX Equipment, and/or misuse of the 4DX System (including, without limitation, failure to comply with the 4DX Safety Guidelines) (collectively, "**Equipment Misuse**") or the problem occurred after expiration of the Warranty Period, 4DX will notify Exhibitor of the approximate charges that will be incurred in accordance with Section 17.4 below and the Parties shall consult to determine the parameters of such on-site visit and the related charges (an "**Emergency Visit**").

9.3 Required Reports: Exhibitor shall inspect the 4DX System on a daily basis and prepare a weekly written maintenance report detailing the condition and required repairs (if any) of the 4DX System, in substantially the form set forth in Exhibit 6 (Form of Maintenance Report) (the "**Maintenance Report**"). Exhibitor shall concurrently send a copy of all such Maintenance Reports to 4DX (for which an email copy is satisfactory with additional follow-up information to be provided if requested by 4DX) every first Business Day of each week. Further, prior to reporting any errors, Exhibitor shall send 4DX an error report in the form set forth in Exhibit 7 (Error Report Form) (the "**Error Report**").

9.4 4DX Safety Guidelines: Exhibitor agrees that before it may operate the 4DX System it shall have read and understood the Safety Warnings and Guidelines for Operating the 4DX System attached hereto as Exhibit 8 (the "**4DX Safety Guidelines**"), and agrees to use and operate the 4DX System as instructed therein. Exhibitor hereby agrees to comply with such 4DX Safety Guidelines in use of the 4DX System, and Exhibitor agrees that 4DX will not be responsible for, and Exhibitor shall be



responsible for, any damages of any kind resulting from Exhibitor's failure to comply with such 4DX Safety Guidelines.

10. WARRANTY PERIOD

4DX, its agents or representatives will provide a maintenance program, as described in Section 9, to Exhibitor with respect to each set of 4DX Equipment installed in a 4DX Auditorium commencing on the date of the Certificate of Acceptance for such 4DX Equipment in each 4DX Auditorium and continuing for one (1) year thereafter (the "**Warranty Period**").

11. REPAIR PARTS AND CONSUMABLES

11.1 Repair/Replacement of Parts During Warranty Period: During the Warranty Period for the 4DX Equipment in each 4DX Auditorium, 4DX will repair or replace, at its election, any defective parts or components of applicable 4DX Equipment at no charge to Exhibitor (including all costs of applicable parts, tools, components, labor expenses, and shipment to the applicable 4DX Auditorium), except where repair or replacement is required as a result of Exhibitor's Equipment Misuse. Such repair and/or replacement shall be subject to 4DX's prior approval and performed only after Exhibitor provides written notice to 4DX describing in reasonable detail the performance issues concerning the parts or components of 4DX Equipment that need repair or replacement.

11.2 Repair/Replacement of Parts After Warranty Period: After the Warranty Period for the 4DX Equipment installed in any particular 4DX Auditorium or in cases where repair or replacement is required as a result of Exhibitor's Equipment Misuse, 4DX will repair or replace, at Exhibitor's election, any defective or malfunctioning parts or components of applicable 4DX Equipment at a reasonable cost to Exhibitor (including all costs for applicable parts, tools, components, labor expenses, and shipment to the applicable 4DX Auditorium). 4DX will at such time provide a list of itemized prices for repair/replacement parts. Exhibitor may purchase repair/replacement parts from a third-party distributor, but only if such repair/replacement parts must comply with all technical specifications provided by 4DX. For clarity, Exhibitor acknowledges that the quality assurance process may cause delays in obtaining prior written approval from 4DX and Exhibitor shall not purchase any parts from a third-party distributor without obtaining prior written approval from 4DX regardless of the duration of such delay.

11.3 Consumables: Exhibitor shall be responsible during and after the Warranty Period for purchasing from 4DX Consumables used in 4DX Equipment. If Exhibitor purchases any Consumables from a third party due to exigencies of auditorium operations (subject to 4DX approval), all such Consumables shall comply with technical specifications provided by 4DX. 4DX shall not be held liable for any damages or costs as a consequence of use of any Consumables not in accordance with such specifications.

12. 4DX CONTENT

12.1 General: The Parties shall review and consult with each other regarding any and all engagements of 4DX Content for purposes of 4DX Presentations in the 4DX Auditoriums, and the Parties shall each use all reasonable commercial efforts to conduct such review and consultation with respect to any content title sufficiently in advance of the contemplated exhibition date in each 4DX Auditorium to allow time for the licensing of rights and 4DX coding of such content as described herein. The Parties acknowledge and agree that time is of the essence with respect to such matters. After such consultation, 4DX will then seek to obtain from the Content Provider the rights to present such title as 4DX Content and authorization to create the 4DX Code for such title. Upon 4DX's receipt of such rights, 4DX will notify Exhibitor that such title will be available as 4DX Content, subject to the terms and conditions of



any license between 4DX and the Content Provider. It is then Exhibitor's obligation to secure the rights from the Licensed Content Provider to exhibit such title for a 4DX Presentation in the 4DX Auditorium (the "**Booking Rights**"). The Parties understand and acknowledge that, as between Exhibitor and 4DX, Exhibitor alone shall have the right to secure Booking Rights, and the obligation to do so by the scheduled exhibition date. Exhibitor shall inform 4DX in writing that such Booking Rights have been secured as soon as possible, and by no later than three (3) Business Days prior to the scheduled exhibition date in the 4DX Auditorium so that 4DX has adequate time to deliver the 4DX Code to Exhibitor. The Parties acknowledge and agree that the Content Provider may have the right to review and approve in its discretion the 4DX Code before it is permitted to be used in a 4DX Presentation and neither Party shall be responsible for delays or disapprovals caused by the Content Provider in reviewing the 4DX Code. The Parties agree that it is their intent to arrange for engagements of 4DX Content for a full show schedule (i.e., during all available time slots) throughout the entirety of each engagement and that 4DX Content shall be showing at all times throughout the Term. Accordingly, unless otherwise agreed by the Parties and subject to the license term for the Licensed Content, Exhibitor shall exhibit each title of 4DX Content until the next title of 4DX Content is available for exhibition in the applicable 4DX Auditorium.

12.2 Exhibitor Licensing Requirements: Pursuant to Section 12.1 above, for each title of 4DX Content to be exhibited in the 4DX Auditorium, (a) Exhibitor shall be solely responsible for obtaining from the Content Provider (i) all necessary rights to exhibit 2D/3D showings of the same title in the 4DX Auditorium for a 4DX Presentation, and (ii) the respective digital cinema packages (DCPs) and key delivery messages (KDMs) from the appropriate Licensed Content Providers for such 2D/3D showings; and (b) 4DX shall be solely responsible for obtaining the necessary rights from the Content Provider to create the 4DX Code for such content and its use in connection with exhibition of the Licensed Content by Exhibitor at the 4DX Auditorium.

13. 4DX CODE LICENSE AND PROGRAMMING FEE

13.1 4DX Code: With respect to any item of 4DX Content, 4DX shall own all right, title and interest in all sources of 4DX Code related to the 4DX System or any part thereof as further provided in Section 19. 4DX hereby grants to Exhibitor a limited, non-exclusive, non-transferable license to use 4DX Code for purposes of 4DX Presentations of 4DX Content in the applicable 4DX Auditorium for which such 4DX Presentation is authorized by the Licensed Content Provider. The license set forth herein shall automatically terminate for any title of 4DX Content with respect to any 4DX Auditorium upon the end of the applicable engagement for such title in such 4DX Auditorium or any revocation of the license or withdrawal of the content by a Licensed Content Provider.

13.2 Programming Fee: In consideration of the creation and license of 4DX Code for each title of 4DX Content, Exhibitor shall pay 4DX an encoding and license fee (the "**Programming Fee**") in the amount stated under Section 17.7 (Programming Fee) for each title of 4DX Content that is approved by 4DX for each 4DX Auditorium.

14. ADVERTISEMENT AND SPONSORSHIP

14.1 4DX Advertising: Exhibitor shall be entitled to use the 4DX System for advertising purposes in the 4DX Auditorium, provided that any such use shall require the prior written approval of 4DX, and that the length of any such advertisement shall not be longer than three (3) minutes in running time. In connection with the foregoing, the Parties shall notify each other of, and consult in good faith regarding, any potential new sources of revenue that may be generated from advertising using the 4DX System. If Exhibitor uses the 4DX System for any advertising purpose, Exhibitor shall pay to 4DX a percentage of all 4DX Advertising Revenue as set forth in Section 17.9 (the "**4DX Advertising Revenue Share**").



14.2 4DX Auditorium Sponsorship: During the Term, Exhibitor may grant naming rights to one or more sponsoring parties for sponsorship of an existing 4DX Auditorium. The Parties agree to use their reasonable commercial efforts to obtain sponsorship as soon as practicable after the execution of the Certificate of Acceptance of each 4DX Auditorium. If Exhibitor approves sponsorship for a 4DX Auditorium, Exhibitor shall pay to 4DX a percentage of all 4DX Auditorium Sponsorship Revenue as set forth in Section 17.10 (the “**4DX Sponsorship Revenue Share**”).

15. REVENUE SHARING

15.1 Surcharge Revenue Sharing:

15.1.1 “Surcharge Revenue” means, with respect to any exhibition of 4DX Content in a 4DX Auditorium, the greater of (a) the amount of revenue received by or credited to Exhibitor per admission from ticket sales or other admissions in excess of the 2D Base Ticket Price or 3D Base Ticket Price, as applicable, and (b) the Minimum Ticket Surcharge (defined below), in each case excluding applicable admission taxes, if any, charged on such ticket sales (subject to the limitations set forth in Section 22, Taxation) and without any other deductions.

15.1.2 Minimum Ticket Surcharge: The minimum amount of the surcharge in excess of the 2D Base Ticket Price or 3D Base Ticket Price, as applicable, that shall be charged and collected by Exhibitor for each ticket or admission sold for 4DX Presentation, after excluding any applicable taxes, shall be the equivalent of Five United States Dollars (US\$5.00) (the “**Minimum Ticket Surcharge**”) calculated at the prevailing exchange rate as published in the U.S. edition of *The Wall Street Journal* at the time of sale.

15.1.3 Revenue Shares: The Surcharge Revenue received by or credited to Exhibitor with respect to any and all 4DX Presentations in the 4DX Auditoriums shall be divided between and among the applicable Licensed Content Provider, Exhibitor and 4DX as follows:

- (i) The applicable Licensed Content Provider shall receive thirty-four percent (34%) of the total Surcharge Revenue for its Licensed Content (the “**Content Provider Revenue Share**”);
- (ii) Exhibitor shall receive thirty-three percent (33%) of the total Surcharge Revenue (“**Exhibitor Revenue Share**”); and
- (iii) 4DX shall receive thirty-three percent (33%) of the total Surcharge Revenue (“**4DX Revenue Share**”).

15.1.4 Changes to Content Provider Revenue Share: Notwithstanding Section 15.1.3 above, the Parties acknowledge and agree that a Licensed Content Provider may require different Surcharge Revenue Share than the amount of the Content Provider Revenue Share specified above. In such event any increase or decrease in the percentage of the Content Provider’s Surcharge Revenue share shall be borne equally between Exhibitor and 4DX (e.g., if the Licensed Content Provider receives 36% of the Surcharge Revenue for a particular title of 4DX Content, then 4DX and Exhibitor shall reduce their shares equally and receive 32% of the Surcharge Revenue). If the 4DX Content licensed from any Licensed Content Provider that requires the Parties’ existing business model to be adapted to comply with its industry standards and practices and thereby causes any revenue (whether Surcharge Revenue or otherwise) to be



accounted for in a different manner than that established in this Agreement, then 4DX and Exhibitor shall in good faith agree to comply with the relevant request, consistent with the understanding that both 4DX and Exhibitor shall share or bear any changes to Content Provider's revenue share equally.

16. REPORTING AND INFORMATION

16.1 Reporting of Surcharge Revenue: In order to calculate the Surcharge Revenue, Exhibitor shall keep complete and accurate records of the quantity of admissions and ticket prices for all admissions to each 4DX Auditorium for each 4DX Presentation and records of any and all applicable 2D Base Ticket Prices, 3D Base Ticket Prices and any admission taxes deducted therefrom. Records of admissions to (or box office records for) the 4DX Auditorium and Complex shall be evidenced by tickets showing the exact price of admission and any applicable sales, value-added tax or other taxes or charges (if any).

16.2 Box Office Information: Exhibitor shall provide to 4DX, in addition to the same box office records and other information that it prepares for other distributors (including paid attendance figures on a daily or weekly basis), a daily report of all box office information for the 4DX Auditorium in the form set forth in Exhibit 16 which report shall be uploaded to a site to be specified by 4DX (the "**Box Office Information**"). Exhibitor shall, in good faith, provide to 4DX any and all information in the possession of Exhibitor relating to the accounting and calculation of the weekly and monthly 4DX Gross Box Office, 2D Base Ticket Price, 3D Base Ticket Price, the Surcharge Revenue, Content Provider Revenue Share, Exhibitor Revenue Share, and 4DX's Revenue Share. Exhibitor covenants that any and all information provided by Exhibitor to determine such amounts shall be accurate and reliable in all respects.

16.3 Additional Reporting and Records: Upon 4DX's reasonable request, Exhibitor shall disclose to 4DX detailed performance-related data for all 4DX Content, including but not limited to: (a) admissions data and occupancy rates for each 4DX Auditorium in the Complex for the entirety of each engagement of 4DX Content on a per-show per-day basis; (b) admissions data and sales ticket information on a per-show per-day basis for each screening or 4DX Presentation of an item of 4DX Content, including each 2D or 3D screening or presentation for the same title at the Complex; (c) all exit polling information collected by Exhibitor as it relates to the 4DX Auditorium, the 4DX Content and other consumer feedback (to the extent Exhibitor collects such feedback), and (d) an accounting of all refunds granted by date, show time and location at each auditorium, including the reason for each such refund. Exhibitor shall provide any and all such information in connection with the 4DX System, the 4DX Auditorium and/or Complex within ten (10) Calendar Days of its receipt of a request for such information by 4DX. Exhibitor shall maintain complete records supporting all reporting obligations under this Agreement for a period of seven (7) years.

17. PAYMENT OF REVENUES AND FEES AND COSTS

17.1 4DX Equipment Price: In consideration of the Delivery and use of 4DX Equipment described in Section 3.1,

(i) Exhibitor shall remit payment for thirty percent (30%) of the total price of 4DX Equipment for the first 4DX Auditorium in the Territory as set forth on the relevant Delivery Schedule within fifteen (15) Calendar Days from the Effective Date, and the remaining seventy percent (70%) within fifteen (15) Calendar Days from the date of issuance of the Certificate of Acceptance for the first 4DX Auditorium, provided that Exhibitor shall purchase a 4DX-approved



Air and Water Supply System from a 4DX-approved third-party supplier in the Territory in accordance with Section 3.1 above; and

(ii) for each additional 4DX Auditorium, Exhibitor shall remit payment for thirty percent (30%) of the total price of 4DX Equipment for each applicable 4DX Auditorium no later than fifteen (15) Calendar Days after the date of the applicable B/L (bill of lading), and the remaining seventy percent (70%) no later than fifteen (15) Calendar Days after the date of issuance of the Certificate of Acceptance for the 4DX Auditorium in which such 4DX Equipment has been installed.

17.2 Supervising Fee: In consideration of the Supervising Services under Section 5.2 and Technician Training under Section 8.1 above, Exhibitor shall pay a supervising service fee to 4DX in the sum of: (i) Thirty Thousand United States Dollars (US\$30,000) per Complex for which the Supervising Services are rendered, for up to thirty (30) days of Supervising Services, plus the amount of any Out of Pocket Expenses of the 4DX Supervisor; and (ii) in the event that Supervising Services are required for more than thirty (30) days (as determined by mutual consultation) in order to complete the installation of 4DX Equipment at a Complex, an additional service fee of One Thousand United States Dollars (US\$1,000) per day for each additional day of Supervising Services beyond the initial thirty (30) days, plus the amount of any additional Out of Pocket Expenses of the 4DX Supervisor (such sum being the “**Supervising Fee**”). Exhibitor shall pay the Supervising Fee within thirty (30) Calendar Days after the date of its receipt of a supporting invoice from 4DX.

17.3 Maintenance Fee: In consideration of the maintenance of 4DX Equipment described in Sections 9.2.1 and 9.2.2 above, within thirty (30) Calendar Days after the expiration of the Warranty Period with respect to 4DX Equipment installed in each 4DX Auditorium, Exhibitor shall pay an annual maintenance fee to 4DX in the amount of One Hundred Twenty-Five United States Dollars (US\$125) for each individual 4DX Motion Chair (i.e., with four Motion Chairs comprising one “**Unit**” and the annual Maintenance Fee for each Unit amounting to US\$500) installed in each 4DX Auditorium for the Maintenance Program to be provided by 4DX under Sections 9.2.1 and 9.2.2 during each annual period (collectively, the “**Maintenance Fee**”). In the event that Exhibitor requires additional maintenance services at a Complex other than the visits provided under Section 9.2.2 (as determined by mutual consultation), Exhibitor shall pay an additional service fee of One Thousand United States Dollars (US\$1,000) per day for each additional day of maintenance services plus any Out of Pocket Expenses incurred by the applicable 4DX employee in connection therewith.

17.4 Emergency Visit Costs: Pursuant to Section 9.2.3, if an Emergency Visit is required during the Warranty Period, 4DX shall be responsible for all travel expenses and other costs incurred by the applicable 4DX Supervisor in connection therewith. However, if it is determined in 4DX’s reasonable business judgment that the emergency on-site visit was required due to Exhibitor’s negligence, misconduct, failure to properly complete the Site Preparation, failure to properly install 4DX Equipment, and/or misuse of the 4DX System, Exhibitor shall be responsible for all reasonable compensation comprised of One Thousand United States Dollars (US\$1,000) per day plus Out of Pocket Expenses incurred by the applicable 4DX Supervisor in connection therewith. If an Emergency Visit is required after the Warranty Period, Exhibitor shall be responsible for all reasonable compensation comprised of One Thousand United States Dollars (US\$1,000) per day plus Out of Pocket Expenses incurred by the applicable 4DX Supervisor in connection therewith.

17.5 Costs of Repair/Replacement of Parts: Exhibitor shall pay 4DX within thirty (30) Calendar Days after the written acceptance by 4DX of Exhibitor’s applicable purchase order: (i) the cost of any parts or components of the 4DX System ordered after the Warranty Period; and/or (ii) during the Warranty Period, the cost of repairing or replacing any parts or components lost or damaged during transit,



installation or as a result of any Equipment Misuse (including costs of shipping FOB Korea); and/or (iii) the agreed-upon cost of any spare parts ordered during or after the Warranty Period (including costs of shipping FOB Korea).

17.6 Consumables: Unless otherwise agreed to by the Parties, the invoices issued by 4DX for Consumables shall be paid in advance by Exhibitor (including costs of shipping FOB Korea). Upon collection of full payment of the price of such Consumables, 4DX shall Deliver the Consumables.

17.7 Programming Fee: With respect to the delivery by 4DX of 4DX Code for any title of 4DX Content, Exhibitor shall prepare the necessary online file storage to download or upload such 4DX Code prior to the mutually agreed-upon delivery date for the 4DX Code. Exhibitor shall pay 4DX the Programming Fee amount of: (i) One Thousand United States Dollars (US\$1,000) for the 4DX Code for each title of Licensed Content (excluding Exhibitor Requested Content) for each 4DX Auditorium, and (ii) Two Thousand United States Dollars (US\$2,000) for the 4DX Code for each item of Exhibitor Requested Content for each 4DX Auditorium. In the event that Exhibitor determines that it will re-release a non-4DX title as a 4DX Presentation and such title has not been programmed previously by 4DX, Exhibitor shall pay to 4DX the applicable Programming Fee for such title as set forth in this Section.

17.8 Share of Surcharge Revenue: During the Term, Exhibitor shall pay to 4DX on a monthly basis the 4DX Revenue Share (as it may be adjusted as provided in Section 15.1.4) for any and all 4DX Presentations of 4DX Content due and owing to 4DX pursuant to Section 15. Within four (4) Calendar Days after the end of each month in which a 4DX Presentation is exhibited at any 4DX Auditorium, Exhibitor shall send to 4DX a report aggregating the daily Box Office Information collected in the preceding month and other information required to be reported under Section 16. Upon receipt of such report, 4DX will issue an invoice for the amount of the 4DX Revenue Share for such accounting period. Exhibitor shall confirm receipt of such invoice by email within three (3) Business Days and remit payment of the 4DX Revenue Share to 4DX within fifteen (15) Calendar Days from the date of receipt of such invoice. Exhibitor shall be solely responsible for reporting and remitting to Content Providers any and all required accountings and reports with respect to 4DX Presentations in the 4DX Auditoriums and for payment to the Exhibitor of the Exhibitor Revenue Share (as it may be adjusted as contemplated in Section 15.1.4) and any other fees, guarantees, minimums, revenue sharing in the base ticket price or other amounts due to the Content Provider. Any invoice issued by 4DX hereunder based on information contained in Exhibitor's reports shall not in any way limit 4DX's right to subsequently challenge or audit the accuracy of such reports.

17.9 Advertising Revenue Share: Pursuant to Section 14.1, if Exhibitor uses the 4DX System for any advertising purposes, Exhibitor shall pay to 4DX the 4DX Advertising Revenue Share as set forth below. All 4DX Advertising Revenue shall, after excluding any applicable third-party agent or service fees and value added or similar taxes (in the event that either Party utilizes the services of a third party agent or agency to obtain 4DX-related advertising, and whose share shall not be more than ten percent (10%) of the total 4DX Advertising Revenue), be divided between the Parties as follows: (i) where Exhibitor (or its agent) introduces the advertising party, forty percent (40%) to 4DX and sixty percent (60%) to Exhibitor; and (ii) where 4DX (or its agent) introduces the advertising party, fifty percent (50%) to 4DX and fifty percent (50%) to Exhibitor. The foregoing percentage splits notwithstanding, 4DX shall be entitled to receive a minimum of Four Thousand United States Dollars (USD \$4,000) per single advertisement campaign before Exhibitor may share in such revenue (e.g., if an advertising campaign yields \$4,000 only, then all \$4,000 shall go to 4DX). As provided in Section 14.1, all such advertising, including the terms thereof, shall be subject to the prior written approval of 4DX, and Exhibitor shall provide to 4DX in each case a copy of the original agreement executed with the advertiser. Within twenty (20) Calendar Days after the last day of each calendar quarter in which 4DX Advertising Revenues are collected (i.e., by the dates of January 20, April 20, July 20, and October 20), Exhibitor



shall send a separate report for payment of the 4DX Advertising Revenue Share to 4DX. Upon receipt of such report, 4DX will issue an invoice and Exhibitor shall remit the 4DX Advertising Revenue Share to 4DX within fifteen (15) Calendar Days from the date of issuance of such invoice. Any invoice issued by 4DX hereunder based on information contained in Exhibitor's reports shall not in any way limit 4DX's right to subsequently challenge or audit the accuracy of such reports.

17.10 4DX Auditorium Sponsorship Revenue Share: Pursuant to Section 14.2, if Exhibitor approves sponsorship for any 4DX Auditorium, Exhibitor shall pay to 4DX the 4DX Sponsorship Revenue Share as set forth below. All 4DX Auditorium Sponsorship Revenue shall, after excluding any applicable third party agent or service fees and value added or similar taxes (in the event that either Party utilizes the services of a third party agent or agency to obtain a 4DX Auditorium Sponsorship), be divided between the Parties as follows: (i) where Exhibitor (or its agent) introduces the sponsoring party, forty percent (40%) to 4DX and sixty percent (60%) to Exhibitor; and (ii) where 4DX (or its agent) introduces the sponsoring party, fifty percent (50%) to 4DX and fifty percent (50%) to Exhibitor. Exhibitor shall provide to 4DX in each case a copy of the original agreement executed between the applicable third-party sponsor and Exhibitor. Within ten (10) Calendar Days of Exhibitor's execution of a contract with a third-party sponsor and Exhibitor's receipt of 4DX Auditorium Sponsorship Revenue, Exhibitor shall submit a sponsorship report to 4DX indicating the date of receipt of such 4DX Auditorium Sponsorship Revenue. Upon receipt of such report, 4DX will issue an invoice and Exhibitor shall remit the amount of the 4DX Sponsorship Revenue Share to 4DX within fifteen (15) Calendar Days from the date of issuance of such invoice. Any invoice issued by 4DX hereunder based on information contained in Exhibitor's reports shall not in any way limit 4DX's right to subsequently challenge or audit the accuracy of such reports.

17.11 Method of Payment: Exhibitor shall make each of the payments described in herein to 4DX in accordance with the terms and conditions set forth above. All payments under this Agreement due and owing to 4DX shall be made by direct deposit by Exhibitor of immediately available cash in U.S. dollars in accordance with the terms and conditions set forth above, without deducting any fees except as follows: if Exhibitor's bank charges any fees in connection with a payment, Exhibitor shall pay all such fees and if 4DX's bank charges any fees in connection with a payment, 4DX shall be responsible for such fees. Funds shall be remitted to the following account:

Account Holder:	CJ 4DPLEX Co., Ltd.
Name of Bank:	KOREA EXCHANGE BANK SINSADONG BRANCH
S.W.I.F.T. CODE:	KOEXKRSEXXX
Address of Bank:	1 st Floor, 27-8 Jamwon-dong, Seocho-gu, Seoul, Korea.
Account No.:	651-000045-636

17.12 Payment Default: If Exhibitor is in default of any of its payment obligations hereunder (meaning, in each case, that the payment in question has not been made within fifteen (15) Calendar Days after the date on which it was due), including without limitation, any obligation to pay any amounts in connection with the 4DX Equipment, Supervising Fee, 4DX Revenue Share, 4DX Advertising Revenue Share, 4DX Sponsorship Revenue Share, Maintenance Fee, Emergency Visits, repair/replacement parts, Consumables, Programming Fee or any other fees for reimbursement, interest shall accrue on any such amounts at a default rate of ten percent (10%) per annum calculated from the date that such amount first becomes due and owing to 4DX and continuing until the date that the applicable payment obligation is fully satisfied by Exhibitor.

18. TITLE TO 4DX EQUIPMENT.



Subject to Sections 19 and 20 and the other terms of this Agreement, title to the Deliverables shall pass to Exhibitor upon Delivery of the Deliverables to Exhibitor as provided in Section 3.2.

19. 4DX INTELLECTUAL PROPERTY RIGHTS TO THE 4DX SYSTEM

19.1 Ownership. Notwithstanding the sale of 4DX Equipment hereunder and Section 18, Exhibitor acknowledges and agrees that 4DX is the sole owner of, and retains all rights, title and interest in and to, any and all intellectual property arising from or otherwise relating to the 4DX System and all parts thereof, including all rights in the 4DX Brand/Trademark, 4DX Code, 4DX Software and all 4DX patents, including without limitation all applicable trademark rights, copyrights and patent rights of every kind and nature. Exhibitor expressly agrees that it does not, directly or indirectly, acquire any right, title or interest in or to the 4DX System, 4DX Brand/Trademark, 4DX Code, 4DX Software or any 4DX patent, except the right to use the foregoing as expressly provided for in this Agreement. Exhibitor shall not register or attempt to register any trademark rights in the 4DX Brand/Trademark, or any confusingly similar trademarks or logos, or any copyrights, patent rights, or other intellectual property rights in any other aspect of the 4DX System, including the 4DX Code and 4DX Software. Exhibitor shall not challenge, attack or otherwise try to invalidate any rights owned or controlled by 4DX in the 4DX System, including 4DX Equipment, the 4DX Brand/Trademark, 4DX Code, 4DX Software and any 4DX patent, or any portion thereof, or any registration or application therefor. Without limiting the foregoing, Exhibitor expressly agrees that it shall not file any document with any governmental authority, make any claim, or take any other action that would affect 4DX's title to or ownership of the 4DX System, 4DX Brand/Trademark, 4DX Equipment, 4DX Code, 4DX Software or any 4DX patent. 4DX reserves all rights in the 4DX System, including the 4DX Brand/Trademark, 4DX Code, 4DX Software and 4DX patents, not expressly licensed to Exhibitor herein.

19.2. 4DX Patents: Exhibitor acknowledges and agrees that 4DX is the owner of all rights, title and interest in and to any and all patents and other intellectual property in the 4DX System and the underlying inventions contained therein and all future improvements thereon and any and all patent registrations whether in the U.S. or any other foreign countries that are or may be granted therefrom including without limitation any extensions, continuations, continuations-in-part, divisions, reissues and renewals thereof, or other equivalents thereof, and further, all rights and privileges pertaining to any such patents and other intellectual property, including without limitation the right, if any, to sue or bring other actions for past, present and future infringement thereof. Exhibitor agrees to make reasonable efforts to detect and inform 4DX of unauthorized exploitation by third parties of any 4DX patents or other intellectual property in the 4DX System during the Term. Exhibitor shall provide 4DX with all reasonable cooperation and assistance requested by 4DX in prosecuting any suit or taking other actions to remedy infringement of any patents or other intellectual property in the 4DX System by third parties.

19.3 No Reverse Engineering: Exhibitor agrees that it will not, and will not cause any other party to: (i) reverse assemble, reverse compile or otherwise reverse engineer the 4DX System, 4DX Equipment, 4DX Software or 4DX Code, whether in whole or in part, at any time, or (ii) alter, duplicate, make copies, create derivative works from, distribute or provide others with the 4DX System, 4DX Equipment, 4DX Software or 4DX Code, whether in whole or in part, at any time. To the extent Exhibitor engages in any of the actions described above, without limiting 4DX's remedies, any payment or other consideration payable to or received by Exhibitor or on Exhibitor's behalf, for causing, participating in, cooperating in, aiding or abetting any of the actions described above shall be the sole property of 4DX, and if payable to or received by Exhibitor or any entity owned or controlled by Exhibitor, then Exhibitor hereby irrevocably assigns all such sums to 4DX.

19.4 Improvements and Modifications: Improvements and/or modifications of the 4DX System including the 4DX Equipment, 4DX Software, 4DX Code, 4DX Brand/Trademark, and any 4DX



patent, or any portion thereof, or any registration or application therefor shall be made and conducted solely by 4DX, in a manner that reasonably minimizes the disruption of Exhibitor's business, and only upon reasonable advance written notice to Exhibitor, who shall provide all necessary electronic and/or physical access to the 4DX System in connection therewith. Nothing contained herein shall be construed to require 4DX to make improvements or modifications to the 4DX System. Exhibitor shall not make any modification of any kind to the 4DX System or any part thereof. Exhibitor acknowledges that, as between the Parties, the 4DX System and every part thereof and all elements relating thereto, including any and all modifications, improvements, enhancements and derivative works thereof, and all 4DX intellectual property and proprietary rights anywhere in the universe therein are and shall be owned solely and exclusively by 4DX. Should Exhibitor acquire any right, title or interest, other than the rights expressly granted hereunder, in the 4DX System or any part thereof or any element relating thereto or any modifications, improvements, enhancements or derivative works thereof, Exhibitor hereby irrevocably assigns to 4DX in perpetuity throughout the universe all such rights, title and interest and all intellectual property (including all patent, trademark and copyright rights, to the extent applicable) and proprietary rights therein.

To the extent that Exhibitor or any third party seeks to make any improvements and/or modifications to a 4DX Auditorium after the date of the Certificate of Acceptance for such 4DX Auditorium, 4DX must first give its prior written consent, which consent shall not be unreasonably withheld or delayed.

20. 4DX BRAND AND TRADEMARK

20.1 4DX Brand/Trademark: 4DX hereby grants to Exhibitor the limited, non-exclusive, non-transferable, royalty-free license to reproduce the trade names, trademark and service marks of 4DX solely in the form(s) provided by 4DX (the “**4DX Brand/Trademark**”) in naming and promoting the 4DX Auditorium and the 4DX Content commencing upon execution of this Agreement and throughout the Term to the extent reasonably necessary to perform Exhibitor’s obligations under this Agreement, provided that Exhibitor shall be obligated at all times to display symbols and notices clearly and sufficiently indicating the trademark status and ownership of the 4DX Brand/Trademark as instructed by 4DX, in accordance with applicable trademark law and practice, and in accordance with the 4DX Brand/Trademark usage guidelines published by 4DX, attached hereto as Exhibit 13 and titled “**4DX Brand Identity Guidelines**” (as amended from time to time upon 4DX’s written notice of such changes). Exhibitor acknowledges the ownership right of 4DX in the 4DX Brand/Trademark and agrees that all use of the 4DX Brand/Trademark will inure to the benefit of, and be on behalf of, 4DX.

20.2 Restrictions on Use: Exhibitor shall not incorporate the 4DX Brand/Trademark in any website name for use on the Internet or register any domain name using the 4DX Brand/Trademark or 4DX’s name, and shall not use any partial version of the 4DX Brand/Trademark, or any fragments thereof, nor any modified or derivative versions of the 4DX Brand/Trademark (including, without limitation, any representation of the 4DX Brand/Trademark in combination with other marks), in each case without the express prior written consent of 4DX. Any 4DX-approved domain name shall be registered in the name of 4DX. 4DX reserves all rights owned or held by it and not expressly licensed to Exhibitor herein, including, without limitation, the right to use the 4DX Brand/Trademark inside and outside the Territory and/or on or in connection with any goods or services. Exhibitor shall be solely responsible for any claims arising out of the contents of any website used or registered by Exhibitor regardless of the existence of 4DX’s prior written approval.

20.3 Use of 4DX Name: Exhibitor shall submit the proposed name of each 4DX Auditorium to 4DX for prior written approval before such name is used, which name shall incorporate proper use of the 4DX Brand/Trademark as determined by 4DX. Exhibitor or its affiliates shall not use any other



trademark, service mark or trade name in the name of any 4DX Auditorium for signage, promotional or advertising purposes without 4DX's prior written approval. During the Term and where approved in advanced in writing by 4DX, Exhibitor shall use and display the 4DX Trademark in media advertising and other promotional material for each 4DX Presentation and 4DX Auditorium, in each case consistent with Exhibitor's general advertising practices.

20.4 Materials/Signage: Marketing or promotional materials, including press releases, newsletters, articles, advertisements, and all other materials (collectively, the "**Materials**") published and/or distributed by Exhibitor that incorporate or otherwise use the 4DX Brand/Trademark shall comply with the 4DX Brand Identity Guidelines as to their form and content, and Exhibitor shall not use such Materials without 4DX's prior written approval. In any cases where the 4DX Brand Identity Guidelines are not applicable, Exhibitor shall notify 4DX and shall receive 4DX's written confirmation of its approval, at all times, prior to using such Materials. Exhibitor may display exterior or interior signage at the 4DX Auditorium that incorporates the 4DX Brand/Trademark (the "**Signage**"), provided that 4DX shall have a prior approval right over such Signage and Exhibitor shall do so in compliance with the 4DX Brand Identity Guidelines as to form, size, and placement of, and any Materials used in connection with, the Signage in the interior or exterior of the 4DX Auditorium.

20.5 Approvals: Once 4DX approves any uses of the 4DX Brand/Trademark or materials in this Section 8, Exhibitor may not make any substantive modifications or changes to such uses or materials, except as otherwise specified herein, without obtaining 4DX's prior written consent.

20.6 Sharing Marketing Information: For the successful promotion of the 4DX System in conjunction with the 4DX Brand/Trademark and of the exhibition of 4DX Content in the Territory, Exhibitor shall provide to 4DX a monthly report concerning the form and content of all relevant marketing and promotion conducted in connection with 4DX Auditoriums, the 4DX System, or 4DX Content (collectively the "**Marketing Report**"), including but not limited to: (a) photographs and a description of all Materials and Signage as described in Section 20.4; (b) all promotional events for 4DX Auditoriums, the 4DX System, or 4DX Content; (c) printed materials and advertising in local media (e.g., via TV, radio, newspapers, magazines, or the Internet) concerning 4DX Auditoriums, the 4DX System, or 4DX Content; and (d) opinion polling information and other consumer feedback (to the extent that Exhibitor collects such feedback) from persons admitted to 4DX Auditoriums and to other auditoriums in each Complex.

20.7 Notice of Third Party Infringement: Exhibitor shall promptly report to 4DX any infringement of the 4DX Brand/Trademark or challenge to the 4DX Brand/Trademark of which Exhibitor becomes aware. 4DX will have the sole right and discretion to bring proceedings alleging infringement of the 4DX Brand/Trademark or unfair competition related thereto. In the event that 4DX commences any action or legal proceeding concerning the 4DX Brand/Trademark, Exhibitor shall provide all reasonable assistance and cooperation requested by 4DX in connection therewith. 4DX shall have the right to use Exhibitor's name in bringing or defending any claim. Notwithstanding Exhibitor's obligations to render assistance and cooperation requested by 4DX as set forth above, Exhibitor shall not be entitled to any monetary compensation received from a third party in connection with claims for infringement of the 4DX Brand/Trademark.

20.8 Automatic Termination: The trademark license herein shall automatically terminate in the event this Agreement terminates due to any breach by Exhibitor, or if Exhibitor files or has filed against it any petition in bankruptcy (including seeking protection from creditors), makes an assignment for the benefit of creditors, seeks or consents to the appointment of a receiver or trustee for its business or property, becomes insolvent, admits that it is unable to pay its debts as they become due, or dissolves, liquidates or otherwise ceases doing business.



21. REQUIRED INSURANCE

The Parties shall maintain insurance as follows:

21.1 Exhibitor's Insurance:

21.1.1 Exhibitor shall throughout the Term and for a period of two (2) years thereafter maintain in force the insurance coverage described below placed with an insurance company or companies having an A.M. Best rating of A VIII or better and licensed to write insurance coverage in the Territory to keep 4DX, the 4DX System and 4DX Equipment insured against risk of loss related to the Complex, 4DX Auditoriums and Exhibitor's business. Such policies shall name by endorsement the additional insureds as follows: 4DX, its affiliates, parents, subsidiaries, shareholders, members, officers, directors, managers, employees, agents and representatives. Exhibitor shall, upon 4DX's request, furnish to 4DX the certificates of insurance evidencing such insurance and the coverage of 4DX and such other additional insured.

(i) Exhibitor's Fire and Casualty Insurance: Exhibitor shall insure the 4DX Auditoriums and Complex against loss or damage due to fire and other casualties covered within the classification of fire and extended coverage, vandalism coverage and malicious mischief, sprinkler leakage, water damage and special extended coverage on the 4DX Auditoriums and Complex. Such coverage shall be in such amounts as Exhibitor may from time to time reasonably determine. Additionally, such insurance coverage shall include the risks of earthquakes and/or flood damage and additional hazards, a rental loss endorsement and one or more loss payee endorsements.

(ii) Exhibitor's Liability Insurance: Exhibitor shall maintain the following insurance policies each written on an occurrence basis and with a combined single limit for both bodily injury and property damage of at least (unless otherwise stated below) two million dollars (US\$2,000,000) per occurrence and four million dollars (US\$4,000,000) in the aggregate:

(a) Comprehensive Commercial General Liability Insurance covering the insured against claims of bodily injury, personal injury and property damage arising out of Exhibitor's operations, assumed liabilities and/or use of the 4DX Auditorium and Complex, including a Commercial General Liability endorsement covering the insuring provisions of this Agreement and the performance by Exhibitor of the indemnity obligations set forth in Section 29.1 of this Agreement. Such insurance shall include, without limitation, the following coverages: (i) completed operations coverage; (ii) blanket contractual coverage, including both oral and written contracts; (iii) terrorism coverage; (iv) no mold exclusion; and (v) contractor's pollution liability coverage. No endorsement limiting or excluding a required coverage is permitted;

(b) Physical Damage Insurance covering all furniture, trade fixtures, equipment, merchandise and all other items of property on the Complex, including the 4DX System and 4DX Equipment. Such insurance shall be written on an "all risks" of physical loss or damage basis, for the full replacement cost value (including the replacement cost of the 4DX System and any delivery and installation costs) without deduction for depreciation of the covered items and shall include a vandalism, malicious mischief and terrorism endorsement, sprinkler leakage coverage and earthquake sprinkler leakage coverage;

(c) Builder's "All-Risk" Insurance covering the insured and additional insured against claims of bodily injury, personal injury and property damage,



including without limitation, coverage for any damages or claims arising out of the Site Preparation, and related work performed on the Complex by Exhibitor or its contractors; and

(d) Umbrella/Excess Liability Insurance with respect to the foregoing liability policies with limits of at least ten million dollars (US\$10,000,000) per occurrence and twenty million dollars (US\$20,000,000) in the aggregate; and

- (iii) Exhibitor's E&O Insurance: Commercial errors and omissions insurance covering Exhibitor's business, including without limitation, the exhibition and promotion of Licensed Content and other content, with a combined single limit of at least three million dollars (US\$3,000,000) per occurrence and five million dollars (US\$5,000,000) in the aggregate.

21.1.2 The minimum limits of policies of insurance required of Exhibitor under this Agreement shall in no event limit the liability of Exhibitor under this Agreement including, but not limited to, Exhibitor's obligations under Section 29.1 of this Agreement. Except for the insurance coverage described in Section 21.2 below required to be provided by 4DX, Exhibitor's insurance shall be primary insurance as to all claims thereunder and shall provide that any insurance carried by 4DX is excess and is non-contributing with any insurance requirement of Exhibitor. Exhibitor's insurance shall not be canceled or coverage changed unless thirty (30) days' prior written notice shall have been given to 4DX.

21.2 4DX's Insurance: 4DX shall, commencing on or before the opening date of the first 4DX Auditorium and continuing until the end of the Term, obtain and maintain the insurance coverage placed with an insurance company or companies having an A.M. Best rating of A VIII or better or which is otherwise acceptable to Exhibitor: (a) product liability insurance for the 4DX Equipment including coverage of bodily injury or property damage resulting from 4DX Equipment in an amount not less than five million dollars (US\$5,000,000) per occurrence and in the aggregate, and (b) commercial errors and omissions insurance with respect to the 4DX System in an amount not less than two million dollars (US\$2,000,000) per occurrence and in the aggregate.

21.3 Requirements of Content Providers. The Parties agree that if a Licensed Content Provider will provide Licensed Content only on the condition that the terms of insurance coverage set forth in this Section 21 are modified, the Parties shall in good faith renegotiate the terms of the insurance to be maintained to comply with such reasonable coverage requirements of the Licensed Content Provider.

22. TAXATION

Corporate income taxes and withholding taxes levied on 4DX in connection with the income it earns under this Agreement by any government or taxing authority of Korea or the Territory shall be borne by 4DX. Except for such taxes, Exhibitor shall timely pay all taxes, duties, customs and similar charges and related interest and penalties (if any) levied on or with respect to this Agreement, that may be imposed by any government or taxing authority in the Territory with respect to all payments otherwise due to 4DX, taxes levied on 4DX Equipment, the 4DX System, the license to use the 4DX Brand/Trademark, the purchase price or fee for any of the foregoing, the Supervising Fee, the Surcharge Revenue share payment, the Maintenance Fee and all other payments to be made by Exhibitor to 4DX hereunder, whether the same be assessed to Exhibitor or to 4DX, and such tax payments shall not reduce any payments due to 4DX under this Agreement (except for any amounts that Exhibitor is required to withhold under any applicable law, for which 4DX would be able to claim as a credit on a tax return); provided that, if under applicable



law, Exhibitor is exempted from making any such payments for any reason, Exhibitor shall reimburse 4DX on demand for all such payments that are made by 4DX.

23. TERM

The term of this Agreement shall commence on the Effective Date and, subject to earlier termination as provided in this Agreement, shall end on the tenth (10th) anniversary of the Effective Date (hereinafter the “Term”). Provided that Exhibitor is not in breach or default of any of its material obligations under this Agreement and this Agreement has not been terminated pursuant to Section 24 below, the Parties may extend the Term upon mutual agreement of the Parties prior to the expiration of the Term.

24. TERMINATION OF AGREEMENT

Each Party shall have the right to exercise any and all rights and remedies it has in law or in equity or under this Agreement, and/or may terminate this Agreement (including termination in part as to any 4DX Auditorium that is the subject of a material breach), upon the occurrence of any material breach by the other Party of its obligations under this Agreement, to the extent that such breach is not cured (if curable) within thirty (30) Calendar Days following the breaching Party’s receipt of written notice of default from the non-breaching Party.

24.1 A material breach by Exhibitor shall mean the following:

24.1.1 Exhibitor files an action, or is the subject of an action, in a bankruptcy court, executes an assignment for the benefit of its creditors, becomes insolvent, takes advantage of any applicable insolvency statute or similar statute, has any of its property consisting of a 4DX Auditorium or the 4DX System (or any portion thereof) attached or executed upon, or has a receiver, liquidator or trustee appointed for any part of the Exhibitor’s business or with respect to the Complex, the 4DX Auditorium or the 4DX System; or

24.1.2 (a) Exhibitor conducts any 4DX Presentation in such a manner or circumstances as to infringe upon the rights of others (other than infringements caused solely by the 4DX System) or violate any law, court order or government regulation or ruling, (b) Exhibitor fails to timely report or pay to 4DX with respect to sums due or is in material breach of other obligations under this Agreement, (c) Exhibitor violates the terms of use for any 4DX intellectual property or the 4DX System, or (d) the 4DX Auditorium becomes unusable or materially restricted for the exhibition of 4DX Presentations due to any casualty, damage, loss or any other reason.

24.2 A material breach by 4DX shall mean the following:

24.2.1 4DX files an action, or is the subject of an action, in a bankruptcy court, executes an assignment for the benefit of its creditors, becomes insolvent, takes advantage of any applicable insolvency statute or similar statute, has any of its property consisting of the 4DX System installed in the 4DX Auditorium attached or executed upon, or has a receiver, liquidator or trustee appointed for the 4DX business or 4DX System installed in the 4DX Auditorium; or

24.2.2 (a) A material portion of the 4DX System (including, without limitation, 4DX Equipment, 4DX Code and 4DX Software) as provided by 4DX knowingly infringes upon the rights of others or violates any law, court order or government regulation or ruling which has the effect of preventing or materially restricting use of the 4DX System by Exhibitor in the 4DX Auditoriums as contemplated hereunder, or (b) 4DX is in material breach of its material



obligations under this Agreement that prevents Exhibitor from satisfying the Opening Requirements and operating the 4DX Auditoriums for 4DX Presentations.

24.3 Notwithstanding the generality of the foregoing, in the event that Exhibitor or 4DX files an action, or is the subject of an action, in a bankruptcy court, this Agreement shall terminate without any further action by either Party; provided that in the event that such action is withdrawn or discharged within one hundred twenty (120) Calendar Days from the date of filing, the Party that is the subject of such action may elect to reinstate this Agreement. A Party's election of one remedy shall not preclude the use or enforcement of any other remedy.

25. EFFECT OF TERMINATION

25.1 Upon expiration of the Term or earlier termination of this Agreement in whole or in part as to any 4DX Auditorium:

25.1.1 Exhibitor shall immediately cease 4DX Presentations in all applicable 4DX Auditoriums;

25.1.2 4DX shall have the right (but not the obligation) to re-purchase all elements of the 4DX System from Exhibitor for the total sum of One United States Dollar (US\$1.00), and Exhibitor shall remove the 4DX System from each 4DX Auditorium and promptly return to 4DX at a location designated in writing by 4DX every element of the 4DX System in Exhibitor's possession or control, including, but not limited to, 4DX Equipment, 4DX Code and 4DX Software.

25.1.3 Any and all permissions and licenses under this Agreement as to the 4DX Brand/Trademark or use thereof in connection with the applicable 4DX Auditoriums shall automatically terminate and any use of such 4DX Brand/Trademark by Exhibitor shall constitute an unlawful infringement.

25.1.4 Such termination or expiration of the Term shall not affect the rights and obligations of the Parties accruing prior to such termination, expiration or notice by 4DX with respect to monies owed by Exhibitor to 4DX under this Agreement.

25.2 The expense of removing, packaging, insuring and shipping every element of the 4DX System in Exhibitor's possession or control, including, but not limited to, 4DX Equipment, 4DX Code, and 4DX Software, in accordance with Sections 25.1.1 and 25.1.2 (the "**Returned Assets**") shall be borne as follows:

25.2.1 Exhibitor shall bear all such expense if the removal and return of the Returned Assets is occurring as a result of an uncured material breach by Exhibitor resulting in termination by 4DX in accordance with Section 24;

25.2.2 4DX shall bear such expense if the removal and return of the Returned Assets is occurring as a result of an uncured material breach by 4DX resulting in termination by Exhibitor in accordance with Section 24; and

25.2.3 If the removal and return of the Returned Assets is occurring as a result of the expiration of the Term, the Parties shall each bear fifty percent (50%) of such aggregate expenses.



25.2.4 Each Party shall promptly reimburse the other for its reimbursable expenses in accordance with this Section 25.2 upon receipt of an applicable invoice.

25.3 At no time shall Exhibitor sell or transfer any part of the 4DX System or any rights of any kind therein without the express written approval of 4DX. Exhibitor has no authority or power to cause or permit any lien or encumbrance of any kind whatsoever, whether created by act of Exhibitor, operation of law or otherwise, to attach to or be placed upon the 4DX Equipment located in the Complex(es). 4DX shall have the right at all times to post and keep posted in the Complex any notice which it deems necessary for protection from such liens. Title to the Returned Assets shall pass to 4DX upon 4DX receiving possession thereof.

25.4 In the event of Exhibitor's exercise of its termination right herein based on an uncured a material breach by 4DX, the Parties agree that any claim by Exhibitor for reimbursement of the amount paid for the 4DX System shall be based on the depreciated value of the Returned Assets at the time of their return to 4DX based upon a five (5) year straight-line depreciation method commencing on the date of the applicable Certificate of Acceptance.

25.5 The termination or expiration of the Term shall not affect the Parties' respective rights and obligations with respect to amounts becoming due and owing before the date of such termination or expiration. Sections 2 (Definitions), 15 (Revenue Sharing), 16 (Reporting and Information), 17 (Payment of Revenues, Fees and Costs), 19 (4DX Intellectual Property Rights), 20 (4DX Brand and Trademark), 21 (Required Insurance), 22 (Taxation), 24 (Termination of Agreement), 25 (Effect of Termination), 26 (Security Interest) 27 (Confidentiality), 28 (Representations and Warranties), 29 (Indemnification) 30 (Non-Competition), 31 (No Solicitation for Employment), 32 (Limitation of Liability), 33 (Right of Audit) 34 (Compliance), 35 (Notices), 36 (Miscellaneous) of this Agreement shall survive any such termination or expiration.

26. SECURITY INTEREST

To secure the timely performance of Exhibitor's obligations under this Agreement, Exhibitor hereby grants to 4DX a first-priority security interest and lien in all right, title and interest in the 4DX Equipment, 4DX System, 4DX Code delivered by 4DX to Exhibitor hereunder and any products and proceeds from 4DX Presentations in the Complexes (collectively, the "**Collateral**"), in 4DX's normal and customary manner. Exhibitor shall promptly sign all documents reasonably requested to effectuate or perfect 4DX's first-priority security interest and lien in the Collateral, including without limitation, a security agreement, financing statement, mortgage of copyright and any other documents necessary or appropriate under the Uniform Commercial Code, U.S. copyright law and/or other applicable laws. Exhibitor hereby irrevocably appoints 4DX as its attorney-in-fact with full power to execute, acknowledge, deliver and record any and all such documents that Exhibitor shall fail to execute, acknowledge and deliver within ten (10) days of Exhibitor's receipt thereof. The appointment shall be a power coupled with an interest, with full right of substitution and delegation. 4DX shall provide Exhibitor with a copy of any such document so filed pursuant to such power-of-attorney.

27. CONFIDENTIALITY

4DX and Exhibitor agree that this Agreement and any other materials or information provided by either Party in connection with the contemplated transactions, are to be treated confidentially and shall not be disclosed by such Party to any person other than such Party's officers, directors, employees, affiliates, accountants, attorneys and other professional advisors, and then only in connection with the transactions contemplated hereby and on a confidential basis, except: (i) to the extent necessary to comply with the law or a valid court order of a court with competent jurisdiction, in which event the Party making such



disclosure shall so notify the other Party as promptly as is practicable (if possible, prior to making such disclosure) and shall seek confidential treatment of such information; (ii) to the extent necessary to comply with the disclosure requirements of the courts of Korea, the United States of America, or the Territory; (iii) to such Party's parent, subsidiary or other affiliated companies, and their banks, auditors and attorneys and similar professionals (collectively, such Party's "**Permitted Recipients**"), provided that the disclosing Party shall be liable to the other Party in the event that any of its Permitted Recipients disclose any information that the disclosing Party would be prohibited from disclosing pursuant to this Section 27; or (iv) in order to enforce such Party's rights pursuant to this Agreement.

28. REPRESENTATIONS AND WARRANTIES

Each Party to this Agreement hereby represents and warrants to the other Party that: (i) it is duly organized, validly existing and presently in good standing and qualified to do business under the laws of its jurisdiction of incorporation; (ii) it has all requisite power and authority to enter into this Agreement, to perform its obligations hereunder and to consummate the transactions contemplated hereby; (iii) it has duly executed and delivered this Agreement, which when executed and delivered by both Parties constitutes the legally valid and binding obligation of such Party, enforceable in accordance with its terms; (iv) neither its execution and delivery of this Agreement, nor the consummation of the transactions contemplated herein, will violate any provision of its organizational documents, any applicable law or court order or require any filing with or consent from any governmental agency, court of competent jurisdiction or third party (except in the case of the Site Preparations, any restorative actions following a casualty loss at a Complex and licenses from Content Providers); (v) there is no litigation pending or, to its knowledge, threatened against it that, if decided adversely to such Party, would materially adversely affect its ability to consummate the transactions contemplated by this Agreement; and (vi) it is in compliance with all applicable laws, permits, licenses and any filing obligations with respect to its material taxes. Exhibitor represents and warrants to 4DX that it owns and controls the Complex and each 4DX Auditorium and the operation thereof and no other party is entitled to collect revenues from ticket sales or admissions to any 4DX Auditorium. Exhibitor warrants and covenants that it will at all times operate the Complex(es) and 4DX Auditoriums and conduct its activities, including its performance under this Agreement, in accordance with all applicable laws.

29. INDEMNIFICATION

29.1 Exhibitor shall indemnify, defend and hold harmless 4DX and its parents, affiliates, subsidiaries, licensees, successors and assigns and each of their respective officers, directors, employees, agents, representatives and advisors from and against all losses, liabilities, claims, damages or expenses (including, without limitation, reasonable outside attorney's fees) arising out of or relating to (a) the breach of any representation, warranty, agreement or covenant of Exhibitor set forth in this Agreement, (b) the negligence or willful misconduct of Exhibitor or any of its employees, representatives, affiliates or agents in the course of Exhibitor's performance of its obligations under this Agreement, (c) use of, or losses, damages or injuries sustained on or about, the Complex(es) or a 4DX Auditorium, or (d) claims by any third party that the any intellectual property of Exhibitor or any other Exhibitor acts or materials infringe on any patent, trademark, copyright or other intellectual property or any other right of any third party, except to the extent such claims are covered under the indemnity obligations of 4DX below.

29.2 4DX shall indemnify, defend and hold harmless Exhibitor and its parents, affiliates, subsidiaries, successors and assigns and each of their respective officers, directors, employees, agents, representatives and advisors from and against all losses, liabilities, claims, damages or expenses (including, without limitation, reasonable outside attorney's fees) arising out of or relating to (a) the breach of any representation, warranty, agreement or covenant of 4DX set forth in this Agreement, (b) the negligence or willful misconduct of 4DX or any of its employees, representatives, affiliates or agents in



the course of 4DX's performance of its obligations under this Agreement, (c) losses, damages or injuries caused solely by the 4DX System; or (d) claims by any third party that the 4DX Trademark or the 4DX System (or any component thereof) or any other 4DX acts or materials infringe on any patent, trademark, copyright or other intellectual property of any third party, except to the extent such claims are covered under the indemnity obligations of Exhibitor above.

30. NON-COMPETITION

Exhibitor acknowledges and agrees with 4DX that the 4DX System is unique in nature and that 4DX would be irreparably damaged if Exhibitor were to participate in any motion picture exhibition business activity directly in competition, or indirectly with or through any person or entity then or potentially competing, with the 4DX System. Therefore, during the Term and for a period of five (5) years after expiration of the Term, Exhibitor shall not directly, or indirectly through or in concert with its parent, its affiliates, its subsidiaries or any other individual, corporation, partnership, joint venture or other entity, participate in any business (including, without limitation, any division, group or franchise of a larger organization) anywhere that engages, or proposes to engage, in the design, manufacture, assembly, installation or sale of any system similar in design or function to the 4DX System, or enter into any agreement with any entity which engages or proposes to engage in any such activity (a "**Competitor**"). For purposes of this Agreement, the term "participate in" shall include, without limitation, having any direct or indirect interest in any corporation, partnership, joint venture or other entity, whether as a sole proprietor, owner, stockholder, partner, creditor or otherwise, or rendering any direct or indirect service or assistance or information to any individual, corporation, partnership, joint venture or other business entity of any kind (whether as a director, officer, manager, supervisor, employee, agent, consultant or otherwise).

31. NO SOLICITATION FOR EMPLOYMENT

During the Term and for two (2) years after the expiration of the Term or earlier termination of this Agreement, Exhibitor shall not directly or indirectly offer employment to, or employ, any employee of 4DX, whether full-time or part-time; hire or offer to hire any employee of 4DX as a consultant, intern, trainee or the equivalent, for the purpose of providing services or products having the same general nature as those provided by such other Party to its customers; request, cause or induce any employee of 4DX to breach any agreement between such employee and such other Party; request, cause or induce any employee of 4DX to leave the employment of such other Party; or induce or attempt to induce any supplier, contractor or agent of 4DX to terminate or adversely change its relationship with 4DX.

32. LIMITATION OF LIABILITY

Other than for material breaches of the obligations regarding Intellectual Property related matters, Non-competition, Non-solicitation and Confidentiality of this Agreement, to the extent allowed by applicable law, in no event shall a Party be liable to the other Party for any special, consequential, indirect, incidental, business interruption or punitive damages or lost profits ("**Additional Damages**") arising from a default or breach of this Agreement by such Party, except when arising from a third party claim in which the third party obtains an award of Additional Damages which is covered by Section 29 (Indemnification) under this Agreement.

33. RIGHT OF AUDIT

Upon reasonable advance written notice to Exhibitor, 4DX may, at its sole cost and expense, inspect the books and records of Exhibitor relating to 4DX Presentations and the 4DX System to verify the accuracy of any accounting statements, reports or invoices delivered by or to Exhibitor hereunder (each, an "**Audit**"). Any Audit shall (i) be conducted during reasonable business hours at Exhibitor's offices where



such books and records are kept, and (ii) be conducted in such manner as not to unduly interfere with Exhibitor's normal business activities. If any such audit shows any payment due to 4DX, Exhibitor shall forthwith pay the balance due as well as interest on such balance calculated at the default rate set forth above. In addition, if any audit shows an underpayment of more than five percent (5%) for the audit period, then Exhibitor shall reimburse 4DX for the cost of such audit.

34. COMPLIANCE

Each Party agrees that it shall not in connection with the transactions contemplated hereby, directly or indirectly through third parties, pay, promise or offer to pay, or authorize the payment of, any money or give any promise or offer to give, or authorize the giving of anything of value, to a Public Official or Entity (as defined below) for purposes of unlawfully obtaining or retaining business for or with, or directing business to, any person, by (a) influencing any official act, decision or omission of such Public Official or Entity; (b) inducing such Public Official or Entity to do or omit to do any act in violation of the lawful duty of such Public Official or Entity; (c) securing any improper advantage; or (d) inducing such Public Official or Entity to affect or influence any act or decision of another Public Official or Entity. **"Public Official or Entity"** means (i) an officer, employee, agent, contractor or representative of any government or military; (ii) any department, agency, corporate entity, instrumentality or political subdivision of any government or military; (iii) any person or commercial entity acting in an official capacity for or on behalf of any government or military; (iv) any candidate for political office, any political party or any official of a political party; or (v) any officer, employee, agent, contractor or representative of any public international organization, including, but not limited to, the United Nations and World Bank. Each Party agrees that no part of any payment, compensation, reimbursement, fee or non-monetary thing of value paid to such Party in connection this Agreement will be passed by it directly or indirectly as a corrupt payment, gratuity, emolument, bribe, kickback or other improper benefit to a Public Official or Entity or any other third person. Each Party agrees that it shall not violate, or cause another Party to be in violation of, the U.S. Foreign Corrupt Practices Act of 1977, United States Public Law 95-213, 15 U.S.C.78m, 78dd, and 78ff, Bahamas laws on commercial and non-commercial bribery, or any other similar applicable law of the United States, Korea or Bahamas, or of any other applicable jurisdiction related to activities under this Agreement, in each case as from to time to time amended and in force. Each Party shall be responsible for assuring compliance with such laws by all agents that the Party may engage, direct, or control in connection with this Agreement.

35. NOTICES

All notices and reports given under or pursuant to this Agreement shall be made in writing in the English language and delivered by courier, by facsimile or by email to the Parties at their respective addresses set forth in this Section. Either Party may change its address, its telecopy or fax number, or email address for purposes of this Agreement by giving the other party notice of its new address, telecopy or fax number, or email address. Any such notice if given or made by international courier service shall be deemed to have been received on the earlier of the date actually received and the date three (3) days after the same was posted (and in providing such it shall be sufficient to prove that the envelope containing the same was properly addressed and posted as aforesaid) and if given or made by telecopier or by email (with proof of receipt) shall be deemed to have been received at the time of dispatch, unless such date of receipt is not a Business Day, in which case the date of deemed receipt shall be the next such succeeding Business Day.

If to Exhibitor:

Attention:
Email Address:
Office Address:



Fax Number:

If to 4DX:

Attention: Theodore Kim
Email Address: theodore@cj.net
Office Address: 7083 Hollywood Boulevard. Suite 600
Los Angeles, CA 90028
Fax Number: +1-323-606-7554

With Copy to:

Attention: Mr. Jong-Hyun Kim
Email Address: jhskim@cj.net
Office Address: 451 Samil-daero (70 Gyeongun-dong)
Jongno-gu, Seoul, South Korea 110-310
Fax Number: +82-2-371-6950

36. MISCELLANEOUS

36.1. Governing Law, Dispute Resolution: This Agreement shall be construed and governed according to the laws of the State of California, without regard to conflicts of law principles, and the federal laws of the United States of America that preempt California law. Any disputes arising under this Agreement that cannot be resolved by the Parties shall be submitted to the American Arbitration Association (the "AAA") for final and binding arbitration in Los Angeles, California in accordance with the Commercial Arbitration Rules of the AAA. California Code of Civil Procedure § 1283.05, which provides for certain discovery rights, shall apply to any such arbitration, and said Code Section is also hereby incorporated by reference. In the event of such an arbitration proceeding, the Parties shall select a single mutually acceptable neutral arbitrator who is a former or retired judge or justice of any California state or federal court with at least ten (10) years of experience with matters involving the theatrical motion picture industry. In the event that the Parties are unable to agree on an arbitrator within thirty (30) days after initially attempting to choose an arbitrator, the AAA shall appoint a sole arbitrator in accordance with its procedures. Any award or decision obtained from any such arbitration proceeding shall be final and binding on the Parties, and judgment upon any award thus obtained may be entered in any court having jurisdiction thereof.

36.2. Publicity/Press Release: 4DX shall have the right to control and issue all publicity concerning this Agreement, the relationship of the Parties and the transactions contemplated hereunder, and to use Exhibitor's name, trade name(s) and trademark(s) in connection therewith. Exhibitor shall have the right to issue a joint press release with 4DX announcing the relationship of the Parties and/or opening of any 4DX Auditoriums, which press release shall be subject to the mutual approval of the Parties. Any other press release or publicity which mentions the arrangement hereunder or uses the 4DX Brand/Trademark shall be subject to the prior written approval of 4DX. In no event shall Exhibitor publicize or promote any content unless and until all licenses for such content from the Licensed Content Provider have been duly obtained to the satisfaction of 4DX.

36.3 Entire Agreement: This Agreement, including all Schedules and Exhibits attached hereto, supersedes and cancels any previous agreements or understandings, whether oral, written or implied, heretofore in effect and sets forth the entire agreement between 4DX and Exhibitor with respect to the subject matter hereof. No representation, promise, inducement or statement of intention has been



made by any of the parties hereto not embodied in this Agreement or in the documents referred to herein, and no party shall be bound by, or be liable for, any alleged representation, promise, inducement or statements of intention not set forth or referred to herein.

36.4 Additional Documents: At 4DX's request and after reasonable opportunity for Exhibitor to review and comment, Exhibitor will execute, acknowledge and deliver to 4DX any and all additional documents consistent herewith that 4DX may reasonably deem necessary or appropriate to evidence and effectuate any and all of 4DX's rights under this Agreement. Exhibitor hereby irrevocably appoints 4DX as its attorney-in-fact with full power to execute, acknowledge, deliver and record any and all such documents that Exhibitor shall fail to execute, acknowledge and deliver within ten (10) days of Exhibitor's receipt thereof. The appointment shall be a power coupled with an interest, with full right of substitution and delegation. 4DX shall provide Exhibitor a copy of any such document so filed pursuant to such power-of-attorney.

36.5 Force Majeure: Should either Party be prevented wholly or in part from fulfilling any of its obligations under this Agreement for reasons of Force Majeure (as hereinafter defined), such obligation shall be suspended to the extent and for as long as such obligation is affected by the Force Majeure. The Party claiming Force Majeure shall be entitled to such extension of time to fulfill such obligation as may be reasonably necessary in the circumstances, with the understanding that both Parties shall use their reasonable commercial efforts to mitigate the effects of the Force Majeure and fulfill their obligations under this Agreement. For purposes of this Agreement, "Force Majeure" shall be defined as any event, the happening and consequences of which are unpreventable, unavoidable, or not within the control of a Party, including but not limited to earthquake, typhoon, flood, fire, embargoes, riots, war, terrorist attack, global economic crisis, strikes or labor disputes, or governmental actions, but shall exclude the financial difficulties of the Party claiming Force Majeure. Within seven (7) Calendar Days from the date of commencement of any event of Force Majeure or as soon as practicable thereafter, the Party affected shall notify in writing the other Party of (i) the occurrence of such event, (ii) the date when such event commenced, and (iii) the estimated date by which the performance of its obligations hereunder is to be completed.

36.6 Waiver; Remedies: None of the conditions or provisions of this Agreement shall be held to have been waived by any act or knowledge on the part of either Party, except by an instrument in writing signed by a duly authorized officer or representative of the Parties. Further, the waiver by either Party of any right hereunder or the failure to enforce at any time any of the provisions of this Agreement, or any rights with respect thereto, shall not be deemed to be a waiver of any other rights hereunder or any breach or failure of performance of the other Party. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

36.7 Successors and Assignees: All of the terms, covenants, representations, warranties and conditions herein shall be binding upon, and inure to the benefit of, and be enforceable by, the parties hereto, and their respective successors, assignees and delegates, including, but not limited to, successor corporations. Other than the assignment by a Party of all or part of its rights and/or the delegation by a Party of all or part of its obligations to its affiliates, or a Party's merger or consolidation with a third party who through such merger or consolidation acquires substantially all of such Party's assets (either of which may be done in such Party's sole and absolute discretion), neither this Agreement nor any of the rights, interests or obligations hereby may be assigned or delegated by any Party without the prior written consent of the other Party, and any such assignment or delegation shall be conditioned on the assignee's or delegatee's written assumption of all transferred rights, interests, and obligations. Any purported assignment or delegation without such consent shall be void and of no effect.




36.8 Severability: If any provision of this Agreement is declared invalid or unenforceable by a court or arbitrator having competent jurisdiction, it is mutually agreed that this Agreement shall endure except for the part declared invalid or unenforceable by determination of such court or arbitrator. The Parties shall consult and use their reasonable commercial efforts to agree upon a valid and enforceable provision which shall be a reasonable substitute for such invalid or unenforceable provision in light of the intent of this Agreement.

36.9 Amendments: All amendments to, and waivers in respect of, this Agreement shall be in writing and shall not be effective unless approved in writing by the Parties.

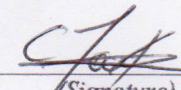
36.10 Counterparts: This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. All copies of this Agreement, including those with copied signatures, shall be deemed to be and treated as originals.


IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the Effective Date set forth above.

CJ 4DPLEX CO., LTD. ("4DX")

By: 
(Signature)
Name: Choi Byung Heon
(Print or Type)
Title: CEO
(Print or Type)

ATAVUS GROUP LIMITED
("EXHIBITOR")

By: 
(Signature)
Name: Carlos S. Foddes
(Print or Type)
Title: Chief Executive Officer
(Print or Type)


Atavus Group Ltd.
Advancing the Entertainment Experience

