

**GT LASER SALE  
NASSAU, BAHAMAS**

**AGREEMENT FOR PURCHASE AND SALE AND MAINTENANCE OF  
IMAX® GT LASER THEATRE SYSTEM AND TRADEMARK LICENSE**

**BETWEEN**

**IMAX CORPORATION**

**AND**

**SHOWCASE ENTERTAINMENT LIMITED**

**AUGUST 27, 2015**

**AGREEMENT FOR PURCHASE AND SALE AND MAINTENANCE OF IMAX® GT LASER THEATRE SYSTEM AND TRADEMARK LICENSE**

**This Agreement dated as of this 27<sup>th</sup> day of August, 2015 is made**

**BETWEEN:**

**IMAX CORPORATION,**  
a corporation incorporated pursuant to the laws of Canada (hereinafter "IMAX")

**AND**

**SHOWCASE ENTERTAINMENT LIMITED**  
a corporation incorporated pursuant to the laws of the Bahamas (hereinafter "Client")

**WHEREAS** IMAX is in the business of developing, selling and leasing IMAX® theatre systems and providing certain related services;

**AND WHEREAS** Client intends to develop and operate an IMAX® theatre to be located in Nassau, Bahamas, and therefore also desires to purchase an IMAX laser theatre system from IMAX to be used in such theatre;

**AND WHEREAS** IMAX and Client wish to enter into this agreement to set out the terms and conditions upon which IMAX shall (i) sell to Client an IMAX laser theatre system and provide certain related services, (ii) provide maintenance services for an IMAX theatre system, and (iii) license to Client certain trademarks;

**NOW THEREFORE THIS AGREEMENT WITNESSES** that in consideration of the premises, mutual covenants and agreements contained herein and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereby agree as follows:

**ARTICLE ONE – SUMMARY OF KEY TERMS**

**1.01 SUMMARY OF KEY TERMS**

The following is a summary of the key terms for this Agreement, which terms and conditions are more particularly set out in detail in this Agreement:

TYPE OF SYSTEM	GT LASER
TERM OF AGREEMENT	twelve (12) years, plus two (2) potential five (5) year renewals, subject to Section 3.03
THEATRE COMPLEX	JFK Drive and Gladstone Rd Showcase Hill, Nassau, Bahamas
SHIPMENT DATE	On or around November 1, 2016
OPENING DATE	On or before March 24, 2017

*CF*  
*GMR*  
*PB*

PURCHASE PRICE	US\$1,650,000
MINIMUM PAYMENT	US\$75,000, per annum, as adjusted
ANNUAL MAINTENANCE FEE	US\$70,000, per annum, as adjusted

In the event of a conflict between the terms set out above in this Section 1.01 and other provisions of this Agreement, the other provisions of this Agreement shall prevail and govern.

## **ARTICLE TWO – DEFINITIONS, INTERPRETATION AND SCHEDULES**

### **2.01 DEFINITIONS**

In this Agreement, and the Schedules attached hereto, the following capitalized terms and expressions shall have the following meanings:

“**Additional Payment**” has the meaning ascribed thereto in Subsection 4.02(a) hereof;

“**Agreement**” means this agreement, the schedules attached hereto and incorporated herewith, and any duly executed amendments hereto;

“**Alternative Content Projector Mode**” means a setting of the System reflective of a standard digital theatre, including single-projector head playback, non-enhanced video and audio and modified frequency response;

“**Annual Maintenance Fee**” means US\$70,000 per annum, as adjusted in accordance with Section 4.03 hereof;

“**Bankruptcy Default**” means: (i) if a party is ordered or adjudged bankrupt; is placed in the hands of a receiver; or enters into any scheme or composition with creditors or makes an assignment for the benefit of creditors; or (ii) if the assets of a party are nationalized or appropriated by any government or governmental authority;

“**Business Day**” means any Monday to Friday from 9:00 a.m. to 5:00 p.m., excluding all statutory holidays in the Province of Ontario, Canada and Nassau, The Bahamas;

“**Certificate of Acceptance**” means a certificate substantially in the form attached as **Schedule “G”** hereto, signed by the parties whereby IMAX certifies and Client accepts that the installation and run-in testing of the System and training of personnel as operators of the System has been completed in accordance with the terms set out in **Schedule “A”**;

“**Competitor**” means an individual, business, partnership, association, firm, corporation, company, organization or other entity that offers products and/or services that are the same as, substantially similar to, or in competition with those of IMAX;

“**Complex**” means the building located at the address set out in Section 1.01;

“**Confidential Information**” has the meaning ascribed thereto in Article 15 hereof;

“**Consumables**” means materials or components which are depleted or require periodic replacement through normal use of the System, including but not limited to glasses cleaning fluids, Glasses, screen sheet, air filters, lens tissues and lens cleaner;

**“Date of Acceptance”** means the earlier of: (a) the date on which the Certificate of Acceptance is signed by the parties; and (b) the date on which the Theatre is opened to the public using the System;

**“Date of Notice”** has the meaning ascribed thereto in Subsection 13.01(a)(iii) hereof;

**“Differentiation Steps”** has the meaning ascribed thereto in Subsection 8.05(iii) hereof;

**“Emergency Fee”** has the meaning ascribed thereto in Subsection 6.01(c) hereof;

**“Force Majeure Event”** has the meaning ascribed thereto in Section 18.07 hereof;

**“Glasses”** means IMAX® 3D viewing glasses as more particularly described in **Schedule “C”** attached hereto;

**“Glasses Cleaning Machine”** means the glasses cleaning machine as more particularly described in **Schedule “A”** attached hereto;

**“Identification”** has the meaning ascribed thereto in Section 8.10 hereof;

**“IMAX Approved Content”** means (i) IMAX Hollywood Content, (ii) IMAX Classic Content, or (iii) content that IMAX has expressly approved for exhibition in the Theatre. Content not meeting (i), (ii) or (iii) above shall be deemed **“Non-IMAX Content”**;

**“IMAX Classic Content”** means any content captured using IMAX® cameras and/or converted or enhanced using the IMAX DMR® process and/or endorsed by IMAX as IMAX DMR® content, which content has a running time of no more than seventy-five (75) minutes;

**“IMAX Hollywood Content”** means any content captured using IMAX cameras and/or converted or enhanced using the IMAX DMR® process and/or endorsed by IMAX as IMAX DMR® content, which content is produced or distributed by a major studio or IMAX and has a running time in excess of seventy-five (75) minutes;

**“IMAX Software”** means any software resident in the System developed by IMAX or its subsidiaries;

**“Index”** means the consumer price index published by the US Department of Labor known as All Urban Consumers (US city average – all items) which can be found at <ftp://ftp.bls.gov/pub/special.requests/cpi/cpiiai.txt>;

**“Index Base Date”** means December 31, 2015;

**“Initial Term”** has the meaning ascribed thereto in Section 3.02 hereof;

**“Intellectual Property”** means any and all (a) copyrights and other rights associated with works of authorship, (b) rights in and relating to the protection of trade secrets and confidential information, (c) patents and other industrial property rights, and (d) other intellectual and industrial property and proprietary rights relating to intangible property that are analogous to any of the foregoing rights;

**“Maintenance Program”** has the meaning ascribed thereto in Subsection 6.01(a) hereof;

**“Materials”** has the meaning ascribed thereto in Section 8.06 hereof;

**“Minimum Payment”** means US\$75,000 per annum, as adjusted in accordance with Section 4.03 hereof;

**“Net Theatre Admissions”** means amounts received by Client for admission to the Theatre after deducting amusement or entertainment taxes, admissions or gross receipts taxes, value added taxes, sales taxes or other similar impositions levied on the admissions price by and actually paid by Client to local, state, provincial or federal authorities. Client may provide up to two percent (2%) of total Theatre admissions in any year of the Term free of charge to promote the Theatre, which amounts shall be excluded from Net Theatre Admissions. Any free admissions exceeding such two percent (2%) of total admissions shall be deemed to be fully paid admissions for the calculation of Net Theatre Admissions. If Client offers its patrons combination ticket pricing options for admission to various attractions, including the Theatre, the amount attributable to Net Theatre Admissions will be determined by multiplying the combination ticket price by a fraction, the numerator of which shall be the regular price for admission to the Theatre, and the denominator of which shall be the sum of the regular prices for admission to each of the individual attractions which are included in the combination ticket;

**“Opening Date”** means the earlier of (i) the opening date set out in Section 1.01; and (ii) the date on which the Theatre is opened to the public using the System;

**“Percentage Payment”** means four percent (4%) of Net Theatre Admissions for all content exhibited in the Theatre;

**“Prime Rate”** means the prime rate as published by the Wall Street Journal;

**“Projection System”** means the IMAX® digital laser theatre projection system as more particularly described in **Schedule “A”** hereto;

**“Purchase Price”** means US\$1,650,000 for the System;

**“Remote Access”** has the meaning ascribed thereto in Subsection 5.02(b) hereof;

**“Renewal Terms”** has the meaning ascribed thereto in Section 3.03 hereof;

**“Repair Period”** has the meaning ascribed thereto in Section 12.02 hereof;

**“Screen”** means a high gain, coated, non-depolarizing, perforated, vinyl screen sheet with frame structure as more particularly described in **Schedule “A”** hereto;

**“Senior Operator”** has the meaning ascribed thereto in Subsection 6.02(c) hereof;

**“Shipment Date”** means the date on which the System leaves IMAX’s delivery dock in Mississauga, Ontario, Canada for shipment to Client as contemplated by Subsection 5.01(a) hereof, which date shall be on or around the shipment date set out in Section 1.01, or such other date as agreed between IMAX and Client in writing;

**“Signage”** has the meaning ascribed thereto in Section 8.07 hereof;

**“Software”** means, collectively, the IMAX Software and the Third Party Software;

**“Sound System”** means an IMAX® digital theatre sound system as more particularly described in **Schedule “A”** hereto;

**“Supervision Fee”** has the meaning ascribed thereto in Subsection 5.02(c) hereof;

**“Supervision Period”** has the meaning ascribed thereto in Subsection 5.02(c) hereof;

**“System”** means, collectively, the Projection System, the Sound System, the Screen, and the Glasses Cleaning Machine;

**“Term”** means, collectively, the Initial Term and any Renewal Terms;

**“Theatre”** means the IMAX® theatre auditorium in the Complex utilizing the System;

**“Third Party Software”** means any software resident in the System developed by a party other than IMAX or its subsidiaries;

**“Trademark”** means collectively, the “IMAX®” and “IMAX® 3D” trademarks and such other trademarks as IMAX may license to Client from time to time;

**“Upgrade Price”** has the meaning ascribed thereto in Section 3.03 hereof; and

**“Year One”** has the meaning ascribed thereto in Subsection 6.01(c) hereof.

## **2.02 HEADINGS**

The division of this Agreement into Articles and the insertion of headings are for convenience of reference only and do not affect the construction or interpretation of this Agreement. The terms “this Agreement”, “hereof”, “hereunder” and similar expressions refer to this Agreement and not to any particular Article, Section or other portion hereof and include any agreement supplemental hereto. Unless something in the subject matter or context is inconsistent therewith, references herein to Articles and Sections are to Articles and Sections of this Agreement.

## **2.03 EXTENDED MEANINGS**

In this Agreement words importing the singular number include the plural and vice versa, words importing any gender include all genders, and words importing persons include individuals, partnerships, associations, trusts, companies, corporations and unincorporated organizations. All shipment terms shall have the meanings assigned to them under Incoterms 2010, as set out by the International Chamber of Commerce, and which can be found at <http://www.iccwbo.org>.

## **2.04 SCHEDULES**

The following are the Schedules attached to and incorporated into this Agreement, and deemed to be part hereof:

<b>Schedule No.</b>	<b>Description of Schedule</b>
A	Specifications of System, Installation Testing and Training Services
B	Electrical, Mechanical and Acoustical Requirements
C	Specification for IMAX® 3D Viewing Glasses

D	Form of Box Office Report
E	Technical Qualifications
F	Trademark and Logo Usage Guidelines
G	Certificate of Acceptance
H	Marketing & Best Practices Guidelines
I	Exclusive Rights
J	Guarantee of Atavus Group Limited

## **2.05 GUARANTEE**

The parties acknowledge and agree that, as an inducement for IMAX entering into this Agreement, Client shall provide to IMAX a guarantee by Client's parent company, Atavus Group Limited, ("**Guarantee**"), of payment and performance by Client of all amounts owing to IMAX and performance of all Trademark obligations of Client under the Agreement, such Guarantee to be in the form provided by IMAX, executed and delivered to IMAX on or before the date of execution of this Agreement and attached hereto as **Schedule "J"**.

## **ARTICLE THREE – SALE AND TERM**

### **3.01 SALE**

Subject to the terms and conditions contained herein, IMAX hereby sells to Client and Client hereby purchases from IMAX the System.

### **3.02 INITIAL TERM**

The initial term of this Agreement shall commence on the date hereof and end on the twelfth (12<sup>th</sup>) anniversary of the Date of Acceptance (the "**Initial Term**").

### **3.03 RENEWAL**

If Client is not in default of any of its material obligations under this Agreement, and this Agreement has not been terminated in accordance with the provisions hereof, the Client may request to renew this Agreement for two (2) successive terms of five (5) years each (the "**First Renewal Term**" and "**Second Renewal Term**" respectively and collectively called the "**Renewal Terms**"). The Renewal Terms shall be subject to the following provisions:

- (i) The Renewal Terms shall be on the same terms and conditions as are contained herein except for payment of the Purchase Price and further renewal rights, which shall not be applicable;
- (ii) On or before the date four (4) months prior to the end of the Initial Term or First Renewal Term as applicable, IMAX shall notify Client of the upcoming termination of the Initial Term or First Renewal Term as applicable, and shall provide an evaluation of the System to provide Client with a written price quotation (the "**Upgrade Price**") of the work required to properly refurbish and/or upgrade the System to then-applicable standards of IMAX, which Upgrade Price shall be reasonable and shall not exceed the amount charged for similar upgrades (of the same type of IMAX® theatre system) to other clients of IMAX who operate a similar number and same type of IMAX® theatres to that of Client in a similar deal structure as set forth in this Agreement; and


- (iii) If Client desires to renew for the First Renewal Term or Second Renewal Term as applicable, Client shall provide written notice of Client's election to have IMAX proceed with any required refurbishment and/or upgrade in accordance with the Upgrade Price by no later than the date three (3) months prior to the end of the Initial Term or First Renewal Term as applicable.

#### **ARTICLE FOUR – PAYMENT**

##### **4.01 PURCHASE PRICE**

###### **(a) Purchase Price**

Client shall pay the Purchase Price for the System, which shall be payable as IMAX directs in the City of Toronto, Ontario, Canada, in installments as follows:



	<b>PAYMENTS</b>	<b>DATE PAYABLE</b>
(i)	US\$165,000	On the execution of this Agreement;
(ii)	US\$495,000	On or before May 1, 2016;
(iii)	US\$825,000	Upon the earlier of the Shipment Date and November 1, 2016; and
(iv)	US\$165,000	Upon the earlier of the Date of Acceptance and March 24, 2017.

###### **(b) Payments**

Payments in Subsection 4.01(a) above and any other payments to be made pursuant to this Agreement are to be deposited by way of wire transfer to the benefit of IMAX Corporation, as follows (or as otherwise directed by IMAX from time to time):

BENEFICIARY:	IMAX CORPORATION 2525 SPEAKMAN DRIVE MISSISSAUGA, ON CANADA L5K 1B1
ACCOUNT #:	<b>412-3226730</b>
BENEFICIARY'S BANK:	WELLS FARGO BANK, N.A. 420 MONTGOMERY SAN FRANCISCO, CA USA 94104 S.W.I.F.T. CODE: <b>WFBIUS6S</b> ABA # <b>121000248</b>

##### **4.02 ADDITIONAL PAYMENT**

###### **(a) Additional Payment**

Client shall pay to IMAX commencing on the Opening Date, in arrears on a monthly basis, throughout each year of the Term, an amount (the "Additional Payment") calculated as follows:



A MINUS B

where:

A=the GREATER of: (i) the cumulative Percentage Payment during the applicable year of the Term to the end of such month, and (ii) the cumulative Minimum Payment payable during the applicable year of the Term to the end of such month; and

B=the GREATER of: (i) the cumulative Percentage Payment payable during the applicable year of the Term to the end of the previous month, and (ii) the cumulative Minimum Payment payable during the applicable year of the Term to the end of the previous month.

**(b) Records**

Client shall keep complete and accurate attendance records of all persons entering the Theatre and other records required to calculate the Additional Payment. Admission to the Theatre shall be by consecutively numbered tickets showing the price of admission and all applicable taxes. Client shall deliver to IMAX, together with the Additional Payment for each month, a certified report substantially in the form attached hereto as **Schedule "D"**, signed by its authorized representatives certifying the calculation of Net Theatre Admissions for the preceding month. Furthermore, Client shall provide IMAX with paid attendance figures and gross revenue for the Theatre (i) on a weekly basis if requested by IMAX, and (ii) specifically from all IMAX DMR® content, on a daily basis for the first three (3) weeks of such content's initial release date and twice a week thereafter and/or as otherwise directed by IMAX. Client shall provide such information by facsimile transmission, email, or verbally, by telephone, to an authorized IMAX employee or by an internet-based interface in the event that IMAX establishes such an interface. Client shall also provide to IMAX monthly reports indicating all uses and exhibitions in the Theatre.

**(c) Right to Audit**

IMAX shall have the right to audit all books and records (in whatever form, whether written, electronic or other including any and all documents and other materials, in whatever form they may be kept, which support or underlie those books and records) and equipment and devices (including without limitation the ticketing system used to ascertain the number of admissions to the Theatre) (all such aforementioned books, records, equipment and devices, collectively "**Records**") for the purpose of verifying the Net Theatre Admissions and Additional Payment and otherwise relating or pertaining to this Agreement, kept by or under the control of Client, including but not limited to those kept by Client's employees, agents, and representatives. Client shall maintain the Records, for the Term and thereafter for the greater of five (5) years after the termination or expiration of the Agreement and the maximum length of time required by applicable law.

On reasonable notice (which shall be not less than forty-eight (48) hours), Client shall permit IMAX or its employees, agents, contractors, accountants, representatives or other designees (each an "**IMAX Rep**") full access during normal business hours to the Records wherever situated; for absolute clarity, including without limitation access at any time to check the operation of any ticketing system. Client shall reasonably cooperate with IMAX Rep and shall provide IMAX Rep with all requested information and documentation. Alternatively, upon IMAX Rep's reasonable request, the Records shall be made available for audit at a time and location convenient to IMAX Rep.

If, following an inspection or audit of the Records the IMAX Rep concludes that Client has underpaid IMAX under this Agreement, IMAX shall send the IMAX Rep's report to Client and Client shall, within ten (10) Business Days of delivery of such report, pay the amount of the difference to IMAX in accordance with Subsection 4.01(b). If the difference exceeds five percent (5%) of the actual amount

payable as determined by the IMAX Rep, Client shall also reimburse IMAX for all its costs, fees and expenses incurred in connection with the inspection or audit that disclosed such underpayment.

#### **4.03 INDEX**

The Minimum Payment, Annual Maintenance Fee and Emergency Fee shall, on each anniversary of the Opening Date, be adjusted to take into account any increase in the Index, from the Index Base Date to the end of the month prior to the Opening Date or the anniversary of the Opening Date. In the event the Index is not available on such anniversary date, payments thereafter shall be based on the amount payable for the previous period and shall be adjusted and reconciled when the Index is published.

#### **4.04 TAXES**

Income taxes levied on IMAX in connection with this Agreement by any government or taxing authority of Canada or the United States of America shall be borne by IMAX. Except for the foregoing, Client shall pay all taxes, duties, customs and similar charges levied on or in respect to this Agreement, including without limitation withholding taxes which may be imposed by any government or taxing authority with respect to payments otherwise due to IMAX, taxes levied on the System, the license to use the Trademark, the Purchase Price, the Additional Payment, the Annual Maintenance Fee, and any other payments to be made by Client to IMAX hereunder, imposed by any government or taxing authority, whether the same be assessed to Client or to IMAX, provided that if under applicable law Client may not make such payments, Client shall reimburse IMAX on demand for all such payments made by IMAX.

Together with Client's monthly certification of Net Theatre Admissions, and at any time upon IMAX's request, Client will also provide IMAX with certification of compliance with all applicable state, provincial or federal sales, use, franchise or other taxes payable in respect of all payments made pursuant to this Agreement. If Client is exempt from the payment of such taxes, Client's certification of compliance must state the basis for such exemption, and where applicable, must include Client's tax exempt number.

#### **4.05 NO DEDUCTION OR SET-OFF**

Except as expressly otherwise provided in this Agreement, the Client shall pay the Purchase Price, Additional Payment, the Annual Maintenance Fee and any other amounts required to be paid by Client under this Agreement without any deduction, abatement or set-off, free and clear of and without deduction for or on account of any taxes, levies, imports, duties, charges, fees and withholdings of any nature now or hereafter imposed by any government, fiscal or taxing authority. If the Client is compelled by law to make any such deduction, it will pay to IMAX such additional amounts as are necessary to ensure receipt by IMAX of the full amount which IMAX would have received but for the deduction. Any unauthorized deduction, abatement or set-off by Client is a breach of this provision and shall be deemed to be a default as provided in Section 16.02 hereof.

#### **4.06 OVERDUE PAYMENTS**

Any overdue payment hereunder, including without limitation payments of the Purchase Price, Additional Payment and the Annual Maintenance Fee shall accrue interest at Prime Rate, as stipulated two (2) days prior to the relevant payment, plus two percent (2%) per annum calculated monthly from the date it is due until the date of payment.

## **ARTICLE FIVE – SHIPMENT AND INSTALLATION**

### **5.01 SHIPMENT**

#### **(a) Shipment**

On the Shipment Date, unless IMAX otherwise directs, IMAX shall ship the Projection System, Sound System and Glasses Cleaning Machine to the Client Ex Works, IMAX's place of business, Mississauga, Ontario, Canada, and the Screen, Ex Works, MDI in Montreal, Quebec, Canada, and/or Harkness Hall, Virginia, U.S.A., or such other location as IMAX may advise, as applicable. On the Shipment Date, Client shall provide the following documents to IMAX:

- (i) certificates evidencing insurance, as required pursuant to Article 11; and
- (ii) a certificate of compliance with sales and use and other taxes, as required pursuant to Section 4.04.

Client will forthwith deliver the System to the customs clearance depot. After customs clearance of the System, Client shall deliver the System to the Theatre as soon as it is required for installation in the Theatre. All costs of handling, and transportation from the delivery docks at the location(s) specified in this Subsection 5.01(a) to the Theatre, and all charges for insurance while the System is in transit to the Theatre shall be the responsibility of the Client. Client may request that IMAX arrange the foregoing shipping and insurance on behalf of Client. IMAX will not charge a fee for any such services provided on behalf of Client but all reasonable costs associated therewith shall be at the expense of Client.

#### **(b) Shipping Requirements**

IMAX shall properly package the System. Other than as stipulated elsewhere in this Agreement, the packaging of the System provided by IMAX shall follow standard protective measures.

#### **(c) Storage**

In the event that Client is not ready to accept delivery of the System upon Shipment Date, IMAX may elect to cause the System to be shipped to a suitable storage facility, with shipping and storage at Client's expense, in which case IMAX shall be deemed to have satisfied its delivery obligations hereunder. If Client should elect to make storage arrangements, IMAX shall provide Client with details and requirements for a suitable storage facility (which such requirements include without limitation that the storage environment be secure, as well as temperature and humidity controlled), and Client shall pay all related costs, including without limitation transportation to and from the storage facility, insurance, and storage costs.

### **5.02 INSTALLATION**

#### **(a) Preparation of Theatre**

Client, at its cost, shall provide a substantially complete Theatre ready for the installation of the System, in accordance with all of the terms and conditions contained in **Schedules "A" and "B"** attached hereto and in accordance with any applicable local building codes or requirements, no later than thirty (30) days prior to the Opening Date. At any time and from time to time, upon request, Client shall provide IMAX with current reports that include photographs, video and other documentation to keep IMAX up to date on the construction and development of the Theatre. IMAX shall not be required to commence the

supervision of the installation of the System until Client provides a substantially complete Theatre, in accordance with **Schedules "A" and "B"**, ready for System installation. Client's breach or default of this provision shall be deemed a material breach of this Agreement with the exception of 5.02(e) below.

**(b) Remote Access to Projection System**

Client's obligations, as set out in **Schedule "B"** attached hereto, shall include providing a permanent high speed internet connection with a static address and firewall permanently connected to the Projection System (the "**Remote Access**"). The Remote Access shall be available within five (5) days of the installation of the System. Connection for Remote Access shall be throughout the Term, 24 hours a day, 7 days a week. Remote Access may be either a fixed Internet I.P. address or a Virtual Private Network (VPN) access. In the event Client does not provide Remote Access as set forth above within thirty (30) days of the Date of Acceptance then notwithstanding any other provision of this Agreement no emergency visits shall be provided at no cost to Client and Client shall pay the Emergency Fee set forth below for any and all required emergency visits related to the System.

**(c) Cost of Installation**

When the Theatre is substantially complete and ready for the installation, IMAX shall, at its expense, supervise the installation of the System, complete run-in testing of the System and provide training services in the Theatre for a period of up to fifteen (15) days ("**Supervision Period**"), with such installation to be completed in accordance with terms set out in **Schedule "A"** attached hereto. In the event that IMAX is required to supervise the installation beyond the Supervision Period (provided that the need for an extension of the Supervision Period is not caused by IMAX), such further supervision services will be provided to Client at a cost of US\$1,200 per day plus travel and living expenses associated with the extended duration of the Supervision Period ("**Supervision Fee**"). Client shall, at its expense, be required to supply materials, equipment and personnel for the proper installation of the System as directed by IMAX. All installation costs, excluding IMAX's supervision for the Supervision Period, shall be paid by Client. Client shall have at least one (1) English-speaking representative at the Theatre during the entire installation process. In the event that IMAX is required to hire translators to assist in the installation process, all such costs shall be borne by Client and Client shall immediately reimburse IMAX. The run-in testing of the System in the Theatre and the training of Client personnel as operators of the System shall be completed by IMAX as provided in **Schedule "A"** attached hereto. Upon completion of the installation, Client shall forthwith execute and deliver to IMAX a Certificate of Acceptance substantially in the form attached hereto as **Schedule "G"**.

**(d) Early Commencement**

In the event that Client requests that IMAX begin the supervision of the installation process prior to the Theatre being ready for installation, IMAX may, in its sole discretion, begin to supervise the installation, provided however that if any repair is required that can be directly attributed to the early installation, then the costs of such repairs shall be borne by Client and will be specifically excluded from the costs of maintenance as provided for in this Agreement.

**(e) Delays in Construction**

It is agreed that the Client is authorized to make an adjustment to the Opening Date of up to 90 days in aggregate to accommodate reasonable delays in construction outside of those listed in section 18.07, in circumstances where: (i) the Client has previously submitted in writing an official construction schedule to IMAX, (ii) the construction of the theatre and facilities has begun, (iii) a reasonable delay in construction has occurred, (iv) the reasonable delay has been remedied and the Client establishes in

writing that construction is proceeding. Such reasonable delays may include but are not limited to; errors in material selection or delivery, conflicts between contractor and subcontractors, substantial change orders resulting from errors in design or errors in consultation, failure of critical equipment etc. In such circumstances, Client must inform IMAX in writing of the delay with a revised construction and installation schedule and proposed adjustments for new Opening Date (such date to be extended by no more than 90 days in aggregate).

## **ARTICLE SIX - MAINTENANCE**

### **6.01 MAINTENANCE PROGRAM**

#### **(a) Applicability of Maintenance Program**

IMAX shall offer and provide a maintenance program with respect to the System (the “**Maintenance Program**”).

#### **(b) Maintenance Fee**

The Annual Maintenance Fee for the Maintenance Program shall be payable in advance by Client on the first day of each year of the Term. The Annual Maintenance Fee for the first year of the Term is included in the Purchase Price and accordingly, the first Annual Maintenance Fee payment shall be due and payable on the first (1<sup>st</sup>) anniversary of the Opening Date. In the event IMAX’s standard Annual Maintenance Fee for IMAX® systems exactly the same as the System sold to single theatre IMAX Clients having the same size screen as the Screen in the Theatre is reduced in a material way, the parties may discuss in good faith an appropriate amendment to reduce the future Annual Maintenance Fee payable by Client to such lower standard price.

With respect to the System, the Maintenance Program shall include:

- (i) two (2) regularly scheduled preventative maintenance, cleaning, inspection checks and calibration of the System (specifically excluding the Screen and Consumables) in each year of the Term;
- (ii) emergency visits during the Term, as set forth in Subsection 6.01(c) below; and
- (iii) parts programs during the Term, as set forth in Subsection 6.01(d) below.

#### **(c) Emergency Service Visits**

For a period of one (1) year from the Date of Acceptance (“**Year One**”), IMAX, its agents or representatives will provide any emergency visits required to maintain System equipment performance at no additional cost to Client.

Commencing on the expiration of Year One and continuing until the expiration of the Term, IMAX shall provide Client with one (1) emergency visit per year at no additional cost to Client if such emergency visit is required. Thereafter, any emergency visits requested or required by Client will be provided by IMAX at a cost of US\$1,000 per day (the “**Emergency Fee**”) (also applicable to travel days) plus travel and living expenses associated with such emergency service. The Emergency Fee shall be adjusted in accordance with Section 4.03. IMAX will respond to any request by Client for emergency service within three (3) hours by telephone and within forty-eight (48) hours on site at the Theatre if necessary (subject

to any travel restrictions or delays beyond the control of IMAX) after receipt of notice from Client of the requirement for emergency service. The parties agree that in all cases they shall use reasonable efforts to resolve System problems and issues over the telephone with a Senior Operator present (as defined below).

**(d) Parts Programs**

IMAX shall, at no additional cost to Client: (i) supply any replacement parts required for the System (including lasers but specifically excluding the Screen and Consumables) with all shipping costs and any applicable customs or duties to be paid by Client, (ii) provide a 24 hour a day, 7 day a week telephone help-line to permit Client to discuss technical issues and problems with IMAX as required, and (iii) maintain a service history database with respect to the System. Client agrees that it shall be required at all times to comply with any applicable rules and regulations and certifications regarding the use and operation of lasers in the jurisdiction in which the Theatre is located. The parties agree that they shall schedule any required replacement or refurbishment of lasers to minimize any disruption to the operation of the Theatre. Client shall also be responsible for erecting any scaffolding required to properly service and maintain the speakers located in the Theatre.

**6.02 GENERAL**

**(a) Hardware Improvements**

For improvements to the Projection System or Sound System other than those relating to the Software as specified in Section 7.02 herein, the following provisions shall apply:

- (i) IMAX Improvements: IMAX shall make at Client's request and at Client's expense any optional improvements or modifications developed by IMAX to the Projection System or Sound System on IMAX's standard terms and conditions. IMAX shall provide notice to Client of any such optional improvements or modifications indicating the terms upon which IMAX is making them available on a timely basis to permit Client to consider any such options.
- (ii) Third Party Improvements: To the extent there are any optional improvements or modifications developed to any component(s) of the Projection System or Sound System developed and manufactured by a third party that IMAX deems in its reasonable expert opinion to be desirable to enhance the Projection System or Sound System, IMAX shall provide notice to Client of any such optional improvements or modifications indicating the terms upon which IMAX is making them available on a timely basis to permit Client to consider any such options.

**(b) Damage to System**

Any damage to the System resulting from the misuse or misoperation of the System, work performed on the System by third parties, power surges, failure to maintain the constant operation environment required for the Projection System as set forth in Schedule B, wilful neglect, negligence or deliberate damage by anyone other than IMAX or IMAX's employees, agents or representatives shall be repaired promptly by IMAX at the expense of Client. No such damage to the System shall be repaired by anyone other than IMAX without IMAX's prior written consent.

(c) **Senior Operator**

Client shall designate at least one (1) senior operator (“**Senior Operator**”) from members of Client’s staff. The Senior Operator shall meet the basic qualifications as set forth in **Schedule “E”** to this Agreement. The responsibilities for the Senior Operator shall include (i) acting as the main contact person for IMAX on operational issues, (ii) disseminating information provided by IMAX to appropriate Theatre personnel, (iii) the training of new Theatre personnel with respect to the operation of the System (for clarity, the Senior Operator shall at all times be required to train, at Client’s expense, its replacement in accordance with the standards set forth in **Schedule “E”**), (iv) communicating System issues to IMAX, (v) performing System tests and diagnostics as requested by IMAX, (vi) following procedures as provided during initial training provided by IMAX, and (vii) undergoing any required training and certification regarding the safe use and operation of lasers. The Senior Operator shall be present during the installation of the System in the Theatre and shall be available for no less than thirty-six (36) hours of training over a five (5) day period during the installation process. Upon successful completion of the training program noted above, IMAX shall provide the Senior Operator with a certificate of completion.

**ARTICLE SEVEN – LICENSE GRANT**

**7.01 TRADEMARK LICENSE**

For the Term, and subject to the other terms, conditions, and restrictions in this Agreement, IMAX hereby grants to the Client the limited, non-exclusive, non-transferable, non-sublicenseable license to use the Trademark solely in connection with the naming, marketing, promotion and operation of the Theatre utilizing the System. For greater certainty, during the Term, Client shall not use any third party trademark, brand, logo or symbol, whether or not in conjunction with the Trademark, to name, market, promote and operate the Theatre, unless Client receives prior written approval from IMAX, which approval may be granted or withheld in its sole discretion.

**7.02 SYSTEM LICENSE**

(a) **Grant**

For the Term, and subject to the other terms, conditions, and restrictions in this Agreement, IMAX hereby grants to the Client the limited, non-transferable, non-exclusive, non-sublicenseable license to use the System, the Software and any user manuals for the System solely in connection with the operation of the System in the Theatre. Where Client is in default of its obligations contained in this Agreement, as more particularly described in Section 16.02 hereof, which default is not cured as set out therein, this license shall terminate and be of no further force or effect.

(b) **IMAX Software**

IMAX will provide at no additional cost error corrections, bug fixes, patches or other similar updates or modifications to the IMAX Software in accordance with IMAX’s release schedule during the Initial Term.

(c) **Third Party Software**

To the extent there are any optional improvements or modifications developed for Third Party Software that IMAX deems in its reasonable opinion to be desirable to enhance the System, IMAX shall provide

notice to Client of any such optional improvements or modifications indicating the terms upon which IMAX is making them available on a timely basis to permit Client to consider any such options.

## **ARTICLE EIGHT – LIMITATIONS, RESERVATIONS AND GUIDELINES**

### **8.01 NAMING RIGHTS**

Notwithstanding the foregoing but subject to Section 8.02 hereof, the Client shall be entitled to sell to a third party the right to name the Theatre in which the System has been installed. IMAX shall have no rights to any consideration received by the Client from such third party for the purposes stated herein.

### **8.02 USE OF NAME**

Client shall submit the proposed name of the Theatre to IMAX for prior approval, which name shall incorporate proper use of the Trademark. Client shall not use any other trademark, service mark or tradename in the name of the Theatre without IMAX's prior written consent. During the Term, Client shall use and display the Theatre name in a conspicuous manner in media advertising and other promotional material for the Theatre, subject to Sections 8.06 and 8.07.

### **8.03 COMPLIANCE**

Client agrees that any use of the Trademark will comply with established standards and specifications prescribed or approved by IMAX including the Trademark and Logo Usage Guidelines published by IMAX, attached hereto as **Schedule "F"**, as the same may be amended by IMAX from time to time. Further, during the Term, the Client covenants to comply with the trademark and branding guidelines of third parties whose trademarks IMAX requires to be included in connection with the marketing, promotion and/or operation of the Theatre utilizing the System, for instance technology supplier trademarks such as "DLP", as advised by IMAX from time to time.

### **8.04 PROGRAMMING**

Client shall exhibit all IMAX Hollywood Content for a full show schedule commencing from the earliest date any such content is released for exhibition at the Theatre and continuing for a period of at least four (4) weeks from the release of such content (or shorter run period where the distributor and IMAX have a prior agreement with each other that the IMAX Hollywood Content will run for a shorter period) ("**Minimum Run Period**"), provided that such content is offered to Client on commercially reasonable terms generally found in the industry. Notwithstanding the foregoing, Client may cease to exhibit any IMAX Hollywood Content prior to the expiration of the Minimum Run Period if: (a) the distributor of the IMAX Hollywood Content has approved, and (b) the run period of such IMAX Hollywood Content at the Theatre is not shorter than the run period of the same content in other formats in the same Complex.

In the event that there are two (2) or more IMAX Approved Content released for exhibition at the Theatre within the Minimum Run Period, Client may: (i) choose which of the multiple IMAX Approved Content it wishes to exhibit during the Minimum Run Period; or (ii) exhibit more than one of such IMAX Approved Content in the Theatre, in which case the Minimum Run Period for the first of such multiple release of the IMAX Approved Content shall not apply. In such circumstances Client may exhibit the standard format version of the IMAX Approved Content removed from the Theatre in any other auditorium in the Complex as Client deems desirable.



## 8.05 STANDARDS

Throughout the Term, Client shall continually operate the System in the Theatre and shall conform to the following standards in addition to those set forth elsewhere in this Agreement:

- (i) The quality and reputation of Client's business operations and specifically, the operation of the Theatre, shall always be maintained at a level that reflects favourably on the Trademark and does not dilute or tarnish the Trademark or the reputation of IMAX;
- (ii) Client shall only use the System at the Theatre to exhibit (i) IMAX Approved Content, or (ii) Non-IMAX Content utilizing the System in Alternative Content Projector Mode (subject to Subsection 8.05(iii)). Client acknowledges that IMAX may embed metadata in the key distribution master or digital cinema package that is issued by IMAX to ensure the System is displaying IMAX Approved Content; and
- (iii) In addition, throughout the Term:
  - 1. Client shall use the Theatre to exhibit presentations using only the System.
  - 2. For all exhibitions of Non-IMAX Content at the Theatre, Client shall take the "**Differentiation Steps**" as hereinafter defined. For purposes hereof, the "Differentiation Steps" for a System means:
    - (A) utilize the System to display an IMAX DMR® branding trailer provided by IMAX;
    - (B) exhibit a trailer or other display acceptable to IMAX indicating that the ensuing presentation "is not An IMAX Experience®"; and
    - (C) not advertise or promote Non-IMAX Content at the Theatre as being "enhanced 35mm", "enhanced digital", "in IMAX", "on the IMAX screen" or any other similar statements or statements that could be reasonably construed as Client making improper use of the Trademark with respect to Non-IMAX Content exhibited at the Theatre.
  - 3. In the event that any content is distributed in both the IMAX DMR® format and non-IMAX DMR® format, Client covenants and agrees that it shall not in any circumstances exhibit such content in a Theatre in any format other than the IMAX DMR® format as projected by the System. Any breach of this covenant by Client shall be a breach of this Agreement and shall entitle IMAX to immediate equitable relief, including but not limited to an injunction, to stop the breach and protect the Trademark.
- (iv) Client shall fully comply with any additional quality standards as may be set by IMAX for IMAX® theatres in its sole discretion from time to time, and as may be required of IMAX's worldwide theatre network or operators of IMAX® digital theatre systems.

## 8.06 MATERIALS

Client must not publish or distribute marketing or promotional materials (collectively, the "**Materials**") which incorporate the Trademark or otherwise use the Trademark until Client has received prior approval from IMAX as to form and content. Such approval may be granted or withheld as IMAX may determine in its sole discretion, but if withheld, IMAX shall explain to Client the reasons for so doing. IMAX agrees that where Client provides such Materials to IMAX for review, IMAX will respond within ten (10)

Business Days of receipt of such Materials. If IMAX fails to respond within such ten (10) Business Day period, IMAX shall be deemed to have approved such Materials. Client will cause any objections of IMAX relating to the Materials to be resolved promptly upon receipt of notice from IMAX. After the Materials have been approved pursuant to this Agreement, Client shall not materially modify the Materials other than pursuant to the Trademark and Logo Usage Guidelines or with IMAX's prior written consent.

#### **8.07 SIGNAGE**

Client must not display exterior or interior signage at the Theatre (collectively, the “**Signage**”) which incorporates the Trademark or otherwise uses the Trademark until Client has received prior approval from IMAX as to form, size and placement in the interior or exterior of the Theatre. Such approval may be granted or withheld as IMAX may determine in its sole discretion, but if withheld, IMAX shall explain to Client the reasons for so doing. IMAX agrees that where Client provides examples of the Signage, IMAX will respond within ten (10) Business Days of receipt of such Signage or examples. If IMAX fails to respond within such ten (10) Business Day period, IMAX shall be deemed to have approved such Signage. Client will cause any objections of IMAX relating to the Signage to be resolved promptly upon receipt of notice from IMAX. After the Signage and the placement of the Signage have been approved pursuant to this Agreement, Client shall not materially modify the Signage or the placement of the Signage without IMAX's prior written consent. Client agrees to prominently display the Trademark in the Theatre name (i) in two (2) prominent locations on the exterior of the Complex, (ii) immediately outside the entrance to the Complex, and (iii) at the entrance to the Theatre. Client shall furnish to IMAX in a timely manner, material (including, if available, architect's drawings) sufficient for IMAX to confirm the location of the Signage. Client further agrees to display adequate directional and/or way-finding signage in the Complex for the Theatre.

#### **8.08 WEBSITE**

Notwithstanding the license granted herein, Client shall not incorporate the Trademark in a website name for use on the Internet without the prior written consent of IMAX.

#### **8.09 SYSTEM COMPONENTS AND SOFTWARE**

Client shall not copy, modify, reverse engineer or make improvements or derivative works of the Software or the System hardware. Without the prior written consent of IMAX, Client shall not license, sublicense, lease, rent, or otherwise convey any right in the Software to any other person.

#### **8.10 IDENTIFICATION**

Client shall allow IMAX to affix and place on the System additional plates, engravings, identification, intellectual property notices, trademarks and certification marks (“**Identification**”) as it considers necessary to give notice of its rights under this Agreement and applicable laws, and Client shall not remove the Identification.

#### **8.11 DESIGN**

All design details that may affect the quality of the theatrical presentation by the System, interior decoration and lighting of the Theatre, design of the screen (which shall be wall to wall, floor to ceiling, and a minimum of nine (9) metres in height), theatre geometry and the audience-to-screen relationship, ambient lighting reaching the screen during the show, number of seats (which shall be a minimum of three hundred (300) seats) as well as proper design of the projection room and the ancillary spaces shall

be subject to the prior written approval of IMAX, which shall not be unreasonably withheld. The noise control and acoustics of the Theatre shall conform to the specifications set out in **Schedule "B"** of this Agreement.

#### **8.12 IMAX'S EXCLUSIVE RIGHTS IN THE TRADEMARK**

Client acknowledges IMAX's rights in the Trademark and that IMAX is the owner thereof. Client shall not, at any time during or after the Term, dispute or contest itself or in concert with other parties, IMAX's right and title to the Trademark or the validity thereof or take any action that would likely adversely affect or otherwise interfere with IMAX's ownership of the Trademark. In particular, Client shall not adopt or use any trademark, service mark or trade name similar to the Trademark including, without limitation, any name or mark that consists of or includes the term "MAX". Client shall not take any action that transfers or attempts to transfer the ownership of the Trademark from IMAX to Client.

#### **8.13 NOTICE OF THIRD PARTY INFRINGEMENT**

Client shall promptly report to IMAX any infringement of the Trademark, imitation of the Trademark or challenge to the Trademark of which Client becomes aware. In the event that IMAX commences any action or legal proceeding on account of any such infringement, imitation or challenge, Client shall provide all reasonable assistance (other than financial assistance) requested by IMAX in its prosecution. IMAX shall retain sole discretion as to whether or not to institute, continue or settle any action or legal proceeding. Subject to the foregoing, Client shall co-operate with IMAX in taking all actions that IMAX deems necessary or advisable to create, protect or defend IMAX's ownership of the Trademark and the goodwill associated therewith or to obtain or maintain registrations of the Trademark.

#### **8.14 NO IMPAIRMENT OF IMAX INTELLECTUAL PROPERTY**

At all times during the Term and thereafter, Client shall not give assistance by way of information, technical support, financial support or in any other manner whatsoever, to third-parties which might adversely affect the validity or enforceability of IMAX's Intellectual Property. Provided further, Client shall not, nor will it encourage or assist a third party to challenge the validity or ownership of any Intellectual Property of IMAX. Client also agrees that it will not act, or fail to act, in any way that impairs the value of the Confidential Information or Intellectual Property of IMAX.

#### **8.15 UNAUTHORIZED REGISTRATION**

At all times during the Term and thereafter, the Client will not, nor will it encourage or assist a third party to register, or attempt to register any Intellectual Property residing in or embodied in the System or derived from the Confidential Information provided under this Agreement. In the event of any breach of the foregoing, the Client agrees to terminate the unauthorised registration activity, and execute and deliver, or cause to be delivered, to IMAX such assignments and other documents as IMAX may require in order to transfer to IMAX all rights to the registrations or applications involved.

#### **8.16 RESERVATION OF RIGHTS**

All rights in and title to Confidential Information and Intellectual Property licensed to Client by IMAX shall remain in IMAX. Except for as explicitly stated in this Agreement, neither the execution and delivery of this Agreement, nor the furnishing of any Confidential Information or Intellectual Property by IMAX shall be construed as granting to Client (by implication, estoppel or otherwise) any license of any sort of Intellectual Property. All rights not specifically and expressly granted by IMAX to Client herein

shall remain with, and are hereby reserved by IMAX and may be fully exploited and used by IMAX without any limitation.

## **ARTICLE NINE – REPRESENTATIONS AND WARRANTIES**

### **9.01 STATUS**

Each party hereby represents and warrants to the other party that, at the time of the execution of this Agreement, it is a legally constituted and validly existing organization, in good standing, under the laws of the jurisdiction of its constitution and with adequate power to enter into this Agreement.

### **9.02 AUTHORIZATION**

Each party hereby represents and warrants to the other party that it is duly authorized to enter into this Agreement (including having obtained all necessary corporate approvals) and that this Agreement, when executed shall be a legally valid and enforceable contract, binding upon it.

### **9.03 NO BREACH**

Each party hereby represents and warrants to the other party that the execution, delivery and performance of this Agreement by it will not: (i) violate any provision of its organizational documents; (ii) save as contemplated by this Agreement, require it to obtain any consent, approval or action of, or make any filing with or give any notice to, any governmental authority or any other third party pursuant to any agreement to which it is a party or by which it is bound; (iii) conflict with or result in any material breach or violation of any of the terms and conditions of, or constitute (or with notice or lapse of time or both constitute) a default under, any agreement to which it is a party or by which it is bound; or (iv) violate any law or any order, writ, injunction or decree of any court, administrative agency or governmental body affecting such party, except for any law, order, writ, injunction or decree, the failure to so comply would not prevent or delay the ability of such party to perform its obligations under this Agreement.

### **9.04 NO INSOLVENCY**

Each party hereby represents and warrants to the other party that it is not in or about to enter into receivership or liquidation or bankruptcy and no petition has been presented for its winding up or bankruptcy and there are no grounds on which such a petition could be based.

### **9.05 TITLE**

IMAX hereby represents and warrants to Client that it owns, possesses and has good and marketable title to the System, free and clear of all liens, charges, claims and encumbrances of every kind whatsoever.

### **9.06 TRADEMARK**

IMAX hereby represents and warrants to Client that (i) all times during the Term, IMAX has or will have the right to license the Trademark as set forth in Section 7.01, and (ii) at the time of execution, IMAX is the owner of the Trademark. IMAX also hereby warrants and represents to Client that at all times during the Term IMAX shall register and maintain the Trademark in the jurisdiction in which the Theatre is located.

#### **9.07 SYSTEM**

IMAX hereby represents and warrants to Client that at the time of execution, Client's use of the System, including the Software, as licensed under this Agreement and as contemplated in this Agreement shall not infringe on the copyrights of any third party.

#### **9.08 RIGHTS TO THE COMPLEX**

Client hereby represents and warrants to IMAX that at the time of execution, and continuing without interruption for the duration of the Term, Client shall have all requisite rights, power and authority to install, possess and use the System in the Theatre and to operate the Theatre in the Complex.

### **ARTICLE TEN – FURTHER COVENANTS**

#### **10.01 COVENANTS OF IMAX**

IMAX hereby covenants that:

##### **(a) System Specifications**

As of the date of the commencement of the installation of the System, the System shall conform to the specifications set out in **Schedule "A"** attached hereto.

##### **(b) Theatre Design**

IMAX, at no additional cost to Client, will reasonably advise and consult with Client with respect to the optimal cinematic and acoustic design and construction of the Theatre.

##### **(c) Title Transfer**

Title to the System shall not pass from IMAX to Client until such time as IMAX has received instalment (iii) of the Purchase Price as specified in Subsection 4.01(a), at which time title and ownership shall pass to Client. Notwithstanding the above, the provisions of this Agreement related to the ongoing rights and obligations of Client and IMAX shall continue in full force and effect after title and ownership to the System has passed from IMAX to Client.

##### **(d) Exclusive Rights**

IMAX shall provide Client with certain exclusive rights, as set forth in Schedule "I" to this Agreement, which rights shall immediately terminate upon expiration or any termination of this Agreement.

##### **(e) Marketing Contribution**

IMAX will contribute US\$175,000 (the "**Contribution**") to use for signage, launch marketing and ongoing marketing initiatives for the Theatre. The full amount of the Contribution will be paid by IMAX to Client in one installment upon the Date of Acceptance. The Contribution will be employed as follows:

- (i) US\$100,000 To be used by Client for signage for the Theatre and initial Theatre launch marketing and promotional activities pursuant to a plan to be agreed by

- IMAX and Client;
- (ii) US\$25,000 To be used by Client (with Client matching such contribution amount) for marketing and promotion of the Theatre during its first year of operation pursuant to a plan to be agreed by IMAX and Client;
- (iii) US\$25,000 To be used by Client (with Client matching such contribution amount) for marketing and promotion of the Theatre during its second year of operation pursuant to a plan to be agreed by IMAX and Client; and
- (iv) US\$25,000 To be used by Client (with Client matching such contribution amount) for marketing and promotion of the Theatre during its third year of operation pursuant to a plan to be agreed by IMAX and Client.
- CX GMR AB*

#### **10.02 COVENANTS OF CLIENT**

Client hereby covenants that:

##### **(a) Theatre Construction**

Not later than fifteen (15) days prior to the Opening Date, Client shall complete construction of a first-class theatre that fully conforms to IMAX's specifications, including without limitation the electrical, mechanical, and acoustic specifications set out in **Schedule "B"** of this Agreement.

##### **(b) Opening Covenant**

Subject to adjustment in accordance with Subsection 5.02(e) of this Agreement, Client hereby covenants that it shall open the Theatre to the public no later than the Opening Date.

##### **(c) Glasses**

Client may purchase from IMAX all Glasses to be used in the Theatre at IMAX's then prevailing prices, terms and conditions.

It is expressly agreed by the parties that Client may procure 3D polarized viewing glasses from third party suppliers provided that such glasses comply with the Glasses specifications set out in **Schedule "C"**, and Client agrees that it shall provide samples of any such glasses to IMAX in a timely fashion for compliance testing (at no cost to Client) to ensure such glasses meet IMAX's specifications. IMAX retains the right to audit and test Client's glasses at any time throughout the Term of this Agreement at no additional cost to Client.

##### **(d) Third Party Equipment**

Without IMAX's prior written approval, Client shall not install, connect or in any way affix third party equipment, devices or peripheral equipment, whether externally or internally, to IMAX equipment and System components.

##### **(e) Movement**

Client shall use the System and the Glasses only in the Theatre and at no other location and Client shall not permit the System to be moved from the projection room in the Theatre without the prior written consent of IMAX. Client shall not use the Glasses other than in conjunction with the System.

**(f) Access**

Upon reasonable notice (which shall be not less than forty-eight (48) hours), Client shall provide IMAX with access to the Theatre, in order to verify compliance with the provisions of this Agreement and to service and inspect the System.

**(g) Demonstration**

During the Term, Client shall permit IMAX to use the Theatre in order to demonstrate the System upon reasonable notice to Client and at reasonable times, so long as such demonstration does not disrupt Client's operation of the Theatre. Client shall not be entitled to any compensation in respect of these demonstrations except for any reasonable additional expenses incurred by Client in order to comply with this Subsection 10.02(g).

**(h) Compliance with Laws**

Client shall comply with all applicable laws, statutes, ordinances, rules and regulations regarding its obligations under this Agreement including but not limited to the use and operation of the System and Theatre.

**(i) Screen Sheet Replacement**

In the event that the Theatre requires a replacement screen sheet at any point following the Date of Acceptance, Client agrees that any such replacement screen sheet shall meet or exceed IMAX's specifications and shall be obtained at Client's cost from a supplier approved by IMAX. Client and/or approved supplier will provide all test records and a screen sheet sample for the procured item to IMAX.

**(j) Marketing Guidelines**

Client agrees that the guidelines attached as **Schedule "H"** to this Agreement shall serve as marketing and best practices guidelines to be used by Client to market and promote the Theatre. Client will agree to match certain marketing expenditures as set forth in Subsection 10.01(e) above.

**(k) Other Branded Theatres**

Client shall market and promote the Theatre as the premium cinematic offering in Client's product offering. In consideration for the license of the Trademark granted under this Agreement, Client agrees and acknowledges that it shall develop, open and market IMAX at all times as the premium 2D and/or 3D format cinema experience in the facility. For clarity, a "**Premium Offering**" shall be priced at a premium amount above the price for a standard 2D or 3D format exhibition, as applicable. For avoidance of doubt, the aforesaid restriction shall not be applicable to:

- (i) Client's VIP theatres in the Complex with a special focus on premium food and beverage service;
- (ii) Client's theatres with differentiated seating, inclusive of VIP;
- (iii) Any theatres in the Complex equipped with multi-sensorial experience (e.g. motion seats, environment effects, etc.), inclusive of but not limited to formats commonly known as 4D or 4DX;

- (iv) Virtual Reality based and personally interactive experiences; and
- (v) Future format for which IMAX has no solution or similar product offerings.

In the event that Client provides a Premium Offering at the Complex in addition to the IMAX Theatre, or Client upgrades its standard offering to the next generation of exhibition technology, it shall:

1. Not market the other offerings or upgrades as superior to IMAX in audio or visual technology whether this is the case or not and such upgrades or offerings shall not be priced or positioned above IMAX theatre admission price.
2. Not market or position such product that may cause customers to be confused with the differentiating point in various technologies. For example client shall not market to consumers in such a way as to imply or explicitly communicate that the sound quality or visual quality of its other premium offering is equal to or better than the IMAX experience whether or not this is the case.

In the event Client undertakes to develop open and market other premium offerings in contradiction to these provisions and restrictions, as determined by IMAX, Client will be in default of its obligations contained in this Agreement, as more particularly described in this Subsection. Client upon receipt of written notification of default has a cure period of 30 calendar days to terminate activity in contradiction to this provision and provide written notification of such cure action. Thereafter if default is not cured as set out therein, any and all exclusive rights provided hereunder shall terminate with written notice from IMAX and without any further cure period for Client, notwithstanding anything to the contrary contained in this Agreement, and thereafter IMAX shall be at liberty to develop and open IMAX® theatres in the Territory (as “**Territory**” is defined in **Schedule “I”**).

## **ARTICLE ELEVEN – INSURANCE**

### **11.01 BROAD FORM (“ALL RISKS”) PROPERTY INSURANCE**

Commencing on the Shipment Date and continuing until IMAX has received the full amount of the Purchase Price, Client shall obtain Broad Form (“All Risks”) Property Insurance with respect to the System, naming IMAX as the loss payee in an amount equal to the replacement cost of the System (namely the Purchase Price), specifically including without limitation coverage of the System while in transit or storage, and during installation. Any deductible portion shall not exceed ten percent (10%) of the replacement cost of the System. A certificate of insurance evidencing such coverage will be provided to IMAX no later than the Shipment Date, and at anytime upon the request of IMAX.

### **11.02 COMPREHENSIVE GENERAL LIABILITY INSURANCE**

Commencing on the Shipment Date and continuing until the expiration or termination of this Agreement, Client shall obtain, at its expense, Comprehensive General Liability Insurance, naming IMAX as an additional insured, in an amount not less than US\$1,650,000 combined single limit, and specifically covering, among other things, operation of the Theatre. A certificate of insurance evidencing such coverage will be provided to IMAX no later than the Date of Acceptance, and at anytime upon the request of IMAX.



### **11.03 BUSINESS INTERRUPTION INSURANCE**

Commencing on the Date of Acceptance and continuing until the expiration or termination of this Agreement, Client shall obtain, at its expense, Business Interruption Insurance to provide for the payment of the Minimum Payment for not less than twelve (12) months in the event of any damage or loss to the System or the Theatre. A certificate of insurance evidencing such coverage will be provided to IMAX no later than the Date of Acceptance, and at anytime upon the request of IMAX.

### **11.04 RIGHTS OF CONTRIBUTION**

Any applicable insurance policy will be primary and without right of contribution from other insurance that may be carried by IMAX and will expressly provide that all of the provisions thereof, except the limits of liability, will operate in the same manner as if there were a separate policy covering each insured. Any applicable insurance policy will provide that once any payment by or on behalf of any insured has been made to IMAX in accordance with these requirements, the insurers and any subrogees will have no right of recourse against IMAX. Any applicable insurance policy will require at least thirty (30) days written notice be given to IMAX before any termination, expiry, surrender, cancellation or material change. The insurer will be required to promptly notify IMAX if any installment of premium is not paid on time by Client.

### **11.05 EVIDENCE OF INSURANCE**

If Client fails to provide IMAX with evidence of insurance as required in this Article 11 within fifteen (15) days after IMAX's request for same, IMAX may, but shall not be obligated to, at its sole option, obtain such insurance from an insurer of IMAX's choice (which may be an affiliate of IMAX). If IMAX purchases such insurance, Client will cooperate with IMAX's insurance agent with respect to the placement of insurance and the processing of claims. Client agrees to pay to IMAX on demand all costs incurred by IMAX (which may include a fee for IMAX's administration of such insurance).

## **ARTICLE TWELVE – DAMAGE OR LOSS TO THE SYSTEM OR THEATRE**

### **12.01 DAMAGE OR LOSS TO THE SYSTEM**

In the event of damage to or loss of the System from any cause after the Shipment Date, IMAX shall, unless otherwise agreed pursuant to Section 12.02 hereof, make reasonable efforts to repair the System or construct another System: (i) at the expense of IMAX where the damage or loss is due to the negligence of IMAX; or (ii) at the expense of Client (or any insurance proceeds received by Client) in all other cases. Unless otherwise provided under the terms of this Agreement, neither the damage or loss of the System nor the damage or loss of the Theatre, at any time, shall entitle Client to any abatement or reduction of amounts due under this Agreement, including without limitation the Purchase Price and the Minimum Payment payable during the Initial Term.

### **12.02 CATASTROPHIC LOSS TO THE THEATRE**

If, after the Date of Acceptance, all or a substantial part of the Theatre is rendered unusable by damage from fire or other casualty which cannot be substantially repaired (employing normal construction methods without overtime or other premium) under applicable laws and governmental regulations within 180 days from the date of the casualty (the "Repair Period"), then either IMAX or Client may elect to terminate this Agreement by written notice (a "Termination Notice") delivered to the other not more than thirty (30) days after the earlier of (i) the end of the Repair Period, and (ii) the date upon which such

party makes a good faith determination that the damage cannot be repaired within the Repair Period. In the event that either party delivers a Termination Notice, IMAX shall not be required to repair or replace the System, and this Agreement and all licenses contained herein shall terminate as of the date of such casualty. In the event either party delivers a Termination Notice prior to IMAX's receipt in full of the Purchase Price, Client shall pay to IMAX (from insurance proceeds received by Client or otherwise) any and all outstanding amounts owed to IMAX under this Agreement, including any amounts owing with respect to the Purchase Price. Provided further, any unpaid amounts of Minimum Payment during the Initial Term not yet due and owing to IMAX as of the date that the System was damaged or lost shall be accelerated and discounted at a rate equal to the then current Prime Rate and be immediately paid to IMAX upon demand. Client waives any statutory or other rights of termination by reason of fire or other casualty, it being the intention of the parties to provide specifically in this Article 12 for all circumstances under which rights of termination shall exist due to casualty.

### **ARTICLE THIRTEEN – RIGHTS OF IMAX TO THE SYSTEM**

#### **13.01 RIGHTS OF IMAX TO THE SYSTEM**

##### **(a) Sale of System**

Except as noted in this Article 13, Client agrees that at no time shall it sell, lease, license or grant the right to use the System other than on the following terms:

- (i) Client will not violate any agreements that IMAX may have or be negotiating with any other customers and IMAX will advise Client of all such agreements;
- (ii) The purchaser, lessee, licensee or grantee of the right to use the System must first conclude an agreement with IMAX on substantially the same terms and conditions as provided in this Agreement relating to the ongoing use and maintenance of the System and license of the Trademark;
- (iii) If at any time Client desires to sell the System, IMAX shall have the first right to purchase the System from Client at the offer price Client has received from an arm's length third party, confirmation of which has been provided by Client to IMAX in writing. IMAX shall have 30 days from receipt of notice from Client expressing Client's desire to sell the System (the "**Date of Notice**") to deliver notice to Client expressing its intention to purchase the System. If IMAX notifies Client that it will not exercise its right to purchase the System, or does not respond to Client within the above time limits, Client shall have the right to sell the System to a third party if a contract is concluded with a third party within 180 days of the Date of Notice. If a contract is not concluded within such time period then any future offer to sell the System to a third party shall again be subject to the foregoing provisions; and
- (iv) In no event shall Client sell, lease, license or grant a right to use the System to a third party where the third party:
  - (A) is a Competitor of IMAX; or
  - (B) intends to operate the System in a theatre located in an area which would cause IMAX to be in breach of any of its agreements with other parties or which would materially affect the operation or profitability of another IMAX® theatre; or
  - (C) engages in a business that would denigrate the Trademark.

**(b) General**

Until the receipt by IMAX of the Purchase Price, during the Term Client shall maintain the System as moveable, personal or chattel property. If under local laws the System is considered to be a fixture, Client agrees that the System shall remain subject to the rights of IMAX. Any sale, conveyance, lease, mortgage, transfer, assignment or other disposition or alienation of Client's interest in the property in or on which the Theatre is situated, shall be made subject to the rights of IMAX respecting the System as set forth in this Agreement. Client will procure from any person acquiring an interest in the property upon which the System may be attached, an acknowledgment of IMAX's rights under this Agreement, in writing, and in form and content satisfactory to IMAX. Client shall consent to the registration of this Agreement and/or notice of the same to the extent permitted by law to provide notice to third parties that IMAX retains title and ownership of the System.

**ARTICLE FOURTEEN – INDEMNIFICATION**

**14.01 INDEMNITY BY CLIENT**

Client hereby agrees to indemnify, defend and hold harmless IMAX, its affiliates and subsidiaries, and all their respective officers, directors, employees and agents from and against any and all liabilities, damages, costs and expenses, including but not limited to reasonable legal costs, arising out of or in connection with third-party claims, lawsuits, proceedings and legal actions in anyway related, directly or indirectly, to:

- (i) a breach of the Agreement; or
- (ii) the possession, ownership, operation or maintenance of the Theatre, the design of the Theatre, the use of the System, and the maintenance or use of the Glasses, including without limitation, all liabilities, actions, suits, complaints, claims and judgments for damage arising out of, or in connection with any actual or alleged breach of or non-compliance with applicable laws or regulations governing protection of persons with disabilities, or similar laws, ordinances or regulations occasioned by the possession, use or operation of the Theatre, the System and the Glasses;

except to the extent that such liabilities, losses, claims, damages or costs are caused directly by the negligence of IMAX or its agents or representatives.

**14.02 INDEMNITY BY IMAX**

IMAX hereby agrees to indemnify, defend and hold harmless Client, its affiliates and subsidiaries, and all their respective officers, directors, employees and agents from and against any and all liabilities, damages, costs and expenses, including but not limited to reasonable legal costs, arising out of or in connection with third-party claims, lawsuits, proceedings and legal actions in anyway related, directly or indirectly, to:

- (i) a breach of the Agreement; or
- (ii) the actions of IMAX or its representatives in respect of the design, manufacture, installation supervision or maintenance of the System by IMAX;

except to the extent that such liabilities, losses, claims, damages or costs are caused directly by the negligence of Client or its agents and representatives.

#### **14.03 INDEMNITY FROM INTELLECTUAL PROPERTY CLAIMS RELATED TO SYSTEM**

During the Term, and provided that Client is not in default of its obligations under this Agreement, IMAX shall indemnify, defend and hold harmless Client, its affiliates and subsidiaries, and all their respective officers, directors, employees and agents from and against any and all liabilities and damages arising out of third-party claims, lawsuits, proceedings and legal actions alleging that the use of the System (or any component thereof) violates or infringes on their copyrights, trade secrets, or patents of such third parties.

#### **14.04 INDEMNITY FROM TRADEMARK CLAIMS**

During the Term, and provided that Client is not in default of its obligations under this Agreement, IMAX shall indemnify, defend and hold harmless Client, its affiliates and subsidiaries, and all their respective officers, directors, employees and agents from and against any and all liabilities and damages arising out of third-party claims, lawsuits, proceedings and legal actions alleging that the use of the Trademark as expressly authorised under the license granted in Section 7.01, and as expressly limited under Section 17.02 hereof, violates or infringes on the registered trademarks or service marks of any such third parties.

### **ARTICLE FIFTEEN – CONFIDENTIALITY**

#### **15.01 CONFIDENTIAL INFORMATION**

For the purposes of this Agreement, “**Confidential Information**” means the information, regardless of form, maintained in confidence by or proprietary to either IMAX or Client, including without limitation any information relating to the System, the Glasses, Theatre operations, service manuals, commercial data, quotations, discoveries, ideas, inventions, concepts, software, equipment, designs, drawings, specifications, techniques, processes, models, documentation, diagrams, research, development, business plans or opportunities, marketing strategies, future projects, and information related to finances, costs, prices, suppliers, vendors, customers, employees and agents. Confidential Information also includes (i) the terms of this Agreement, but not the fact of its existence, and (ii) any information obtained from a third party that either IMAX or Client treats as confidential or proprietary. Any document or other material provided by either IMAX or Client that is labelled or designated “Confidential” or “Privileged” shall be presumed to be Confidential Information. Failure to label or designate any document or other material shall not be determinative of whether or not the information contained therein is Confidential Information.

#### **15.02 DISCLOSURES**

Upon execution of this Agreement and all times thereafter, neither party shall disclose, divulge or otherwise furnish to any third party any of the other party’s Confidential Information without the other party’s prior written approval. Except as expressly contemplated by this Agreement, neither party shall use or utilize the other party’s Confidential Information. Client shall not modify, copy or reproduce in any way the Glasses, the Software, the System or any part or component thereof. Both parties shall take all steps necessary with their respective officers, employees, advisors, representatives and agents to ensure compliance with this Article 15.

### **15.03 EXCEPTIONS**

The foregoing confidentiality obligations set in Section 15.02 shall not apply to information that is:

- (a) Already in the public domain or becomes so through no fault of the receiving party;
- (b) Disclosed during the course of litigation, provided that the owner of the Confidential Information is provided sufficient notice and opportunity to seek a protective order or otherwise prevent such disclosure;
- (c) Disclosed pursuant to any order or requirement of a court, administrative agency, or other governmental body, provided that the owner of the Confidential Information is provided sufficient notice and opportunity to seek a protective order or otherwise prevent such disclosure; and
- (d) Disclosed pursuant to the requirements of applicable laws and regulations, including without limitation the security laws and regulations of the United States of America, Canada and the Commonwealth of The Bahamas.

### **15.04 EQUITABLE RELIEF**

Both parties acknowledge that a breach of this Article 15 will result in immediate and irreparable harm to the other, for which there will be no adequate remedy at law, and in addition to monetary damages awarded, shall entitle the non-breaching party to equitable relief, including without limitation an injunction preventing all unauthorized uses and disclosures of Confidential Information.

## **ARTICLE SIXTEEN – DEFAULTS**

### **16.01 DEFAULT OF IMAX**

Whenever IMAX is in Bankruptcy Default or is in default of its material obligations under this Agreement, and continues to be in default for more than thirty (30) days after Client has delivered written notice of the default to IMAX, Client may, at its election, in addition to Client's rights at law or in equity, either: (i) terminate this Agreement and claim its damages; or (ii) for defaults other than a Bankruptcy Default, Client may perform the continuing obligations of IMAX with respect to which IMAX has made default and IMAX shall reimburse Client for such costs forthwith.

### **16.02 DEFAULT OF CLIENT**

Whenever Client is in Bankruptcy Default or is in default of its material obligations under this Agreement, and continues to be in default for more than thirty (30) days after IMAX has delivered written notice of the default to Client, IMAX may, at its election, in addition to IMAX's rights at law or in equity, terminate this Agreement. IMAX shall be entitled to claim its damages and seek both legal and equitable remedies. All unpaid amounts due to IMAX, including without limitation all outstanding Purchase Price and Annual Maintenance Fee payable up to the date of any termination, shall be forthwith paid by Client, and IMAX shall be entitled to retain all payments made by Client hereunder. Any outstanding Minimum Payment payable during the Initial Term shall be accelerated based on a discount rate equal to the then current Prime Rate, and shall become immediately due and shall be paid upon the demand of IMAX.

## **ARTICLE SEVENTEEN – DISCLAIMER AND LIMITATIONS OF LIABILITY**

### **17.01 WARRANTY DISCLAIMER**

THE COVENANTS, REPRESENTATIONS AND WARRANTIES OF IMAX CONTAINED IN THIS AGREEMENT ARE IN LIEU OF, AND NOT IN ADDITION TO, ALL OTHER COVENANTS, REPRESENTATIONS AND WARRANTIES, EXPRESSED (EITHER IN WRITING OR MADE ORALLY), STATUTORY OR OTHERWISE IMPLIED, AS TO THE SYSTEM, ITS CONDITION, FITNESS FOR USE, MERCHANTABILITY, DURABILITY OR SUITABILITY FOR ANY PARTICULAR USE INTENDED BY CLIENT, NON-INFRINGEMENT, AS WELL AS THE FINANCIAL VIABILITY OF THE THEATRE, AND CLIENT HEREBY CONFIRMS THAT IMAX HAS NOT GIVEN ANY SUCH COVENANT, REPRESENTATION OR WARRANTY. EXCEPT FOR THE COVENANTS, REPRESENTATIONS AND WARRANTIES EXPRESSLY SET OUT IN THIS AGREEMENT, IMAX HEREBY DISCLAIMS AND CLIENT HEREBY WAIVES ANY AND ALL COVENANTS, REPRESENTATIONS AND WARRANTIES OF ANY KIND OR NATURE, INCLUDING WITHOUT LIMITATION ANY AND ALL COVENANTS, REPRESENTATIONS AND WARRANTIES THAT MAY HAVE BEEN MADE PRIOR TO THE EXECUTION OF THIS AGREEMENT BUT NOT EXPRESSLY INCORPORATED INTO THIS AGREEMENT OR MADE A PART HEREOF.

### **17.02 IMAX LIMITATION OF LIABILITY**

OTHER THAN FOR DEFAULTS OR BREACHES OF ARTICLE 15 HEREOF, AND EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT, AND TO THE EXTENT ALLOWED BY APPLICABLE LAW, CLIENT'S EXCLUSIVE REMEDY SHALL BE PAYMENT BY IMAX OF DAMAGES TO A MAXIMUM AMOUNT EQUAL TO, AND IN NO EVENT SHALL IMAX BE LIABLE IN EXCESS OF, THE AGGREGATE OF THE TOTAL PURCHASE PRICE AND ADDITIONAL PAYMENT THAT HAS BEEN PAID TO IMAX UNDER THIS AGREEMENT. IN NO EVENT SHALL IMAX BE LIABLE UNDER THIS AGREEMENT FOR ANY SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES, EVEN IF IMAX HAS BEEN ADVISED OF THE POSSIBILITY THEREOF INCLUDING, BUT NOT LIMITED TO, LOST PROFITS, LOST BUSINESS REVENUE, OR OTHER COMMERCIAL OR ECONOMIC LOSS OF ANY KIND.

### **17.03 CLIENT LIMITATION OF LIABILITY**

OTHER THAN FOR DEFAULTS OR BREACHES OF ARTICLES 8 AND 15 HEREOF, AND EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT, AND TO THE EXTENT ALLOWED BY APPLICABLE LAW, IN NO EVENT SHALL CLIENT'S LIABILITY IN DAMAGES BE IN EXCESS OF THE AGGREGATE OF THE TOTAL PURCHASE PRICE, ADDITIONAL PAYMENT AND ANNUAL MAINTENANCE FEE PAYABLE UNDER THIS AGREEMENT. IN NO EVENT SHALL CLIENT BE LIABLE UNDER THIS AGREEMENT FOR ANY SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES, EVEN IF CLIENT HAS BEEN ADVISED OF THE POSSIBILITY THEREOF INCLUDING, BUT NOT LIMITED TO, LOST PROFITS, LOST BUSINESS REVENUE, OR OTHER COMMERCIAL OR ECONOMIC LOSS OF ANY KIND.

## **ARTICLE EIGHTEEN – GENERAL PROVISIONS**

### **18.01 EFFECT OF TERMINATION**

Upon any termination of this Agreement, for any reason whatsoever, all rights licensed by IMAX hereunder shall revert to IMAX and Client shall immediately cease any and all use of the Trademark.

Upon any termination of this Agreement, if title to the System has passed to Client and the parties agree on terms, IMAX may purchase such System from Client at fair market value as determined by the parties acting reasonably and shall be entitled to make entry upon the Theatre premises where the System is located and remove the System, and any and all rights of the Client with respect to the System and the possession or use thereof shall be absolutely forfeited and shall lapse. Client shall fully cooperate in permitting IMAX access to the Theatre to regain possession of the System.

### **18.02 NOT A PENALTY**

Client acknowledges and agrees that a material breach of this Agreement will result in injury and damage to IMAX, including without limitation foregone revenue and other losses, expenses and costs associated with the manufacturing of the System and the planning, scheduling and performance of services required under this Agreement. The parties hereby agree and acknowledge that Section 16.02, and any and all amounts to be paid to IMAX or to be retained by IMAX pursuant to Section 16.02 are a fair and approximation of the injury and damages IMAX will suffer in the event of a material breach of this Agreement, and therefore the application of Section 16.02 and any amounts paid to IMAX or retained by IMAX shall constitute liquidated damages, not a penalty.

### **18.03 ASSIGNMENT**

None of the rights, duties and obligations of Client hereunder may be assigned without the prior written consent of IMAX in IMAX's sole discretion. IMAX may at any time assign this Agreement or any of its rights, duties or obligations hereunder, subject to the assignee being capable of fulfilling the assigned obligations as determined by IMAX acting reasonably. No acceptance by IMAX of any payments by an assignee shall be deemed a waiver of this covenant or the acceptance of the assignee as the lessee or a release of the Client.

### **18.04 PUBLIC RELEASES**

No public announcement or press release concerning this Agreement or the transactions or business ventures contemplated herein will be made by either party without the prior written consent of the other party, not to be unreasonably withheld. Notwithstanding the foregoing, a party may make a public announcement or press release concerning this Agreement without the prior consent of the other party when such public announcement or press release is required by applicable law, regulation or rule, including without limitation the security laws, regulations, and rules of the United States of America and Canada, and the regulations and rules of the U.S. Securities and Exchange Commission and the Canadian securities commissions; provided, that the party required to make such a public announcement or press release shall provide the other party prior written notice in order to allow such party to seek a protective order.

#### **18.05 NOTICE**

Any demand, notice or other communication to be given in connection with this Agreement will be given in writing and will be given by personal delivery or by electronic means of communication addressed to the recipient as follows:

IMAX at:  
2525 Speakman Drive, Sheridan Park  
Mississauga, Ontario, Canada  
L5K 1B1

Telephone No.: (905) 403-6500  
Facsimile No.: (905) 403-6468  
Attention: General Counsel

Showcase Entertainment Limited at:  
JFK Drive and Gladstone Rd  
Showcase Hill, Nassau, Bahamas  
Telephone No.: (242) 422-1027  
Facsimile No.: (242) 341-6285  
Attention: General Counsel

or to such other address, individual, official or electronic communication number as may be designated by notice given by either party to the other. Any demand, notice or other communication given by personal delivery will be conclusively deemed to have been given on the day of actual delivery thereof and, if given by electronic communication, on the day of transmittal thereof if given during the normal business hours of the recipient and on the Business Day during which such normal business hours next occur if not given during such hours on any day.

#### **18.06 FURTHER ASSURANCES**

The parties shall give further assurances and do, execute and perform all such acts, deeds, documents and things as may be required to enable them to have the full benefit of all rights and remedies intended to be reserved or created hereby or as may be required under the local laws.

#### **18.07 FORCE MAJEURE**

Neither party shall be liable to the other for delays in the performance or observance of its covenants or agreements under this Agreement due to the occurrence of unforeseeable events which are beyond its control, including, but not limited to, delays by fires, strikes, carriers, acts of God, war, insurrection, riot, acts of terrorism, epidemic, and the actions of any governmental authority (each a "**Force Majeure Event**"), provided that the party so affected must advise the other of the occurrence of the Force Majeure Event as soon as is reasonably possible. The occurrence of any of the aforesaid events shall not entitle Client or IMAX to terminate this Agreement.

#### **18.08 NO PARTNERSHIP**

This Agreement does not constitute and shall not be construed as constituting an agency, partnership, franchisor-franchisee relationship or joint venture between IMAX and Client.



#### **18.09 SEVERABILITY**

Any term, condition or provision of this Agreement which may be unenforceable by law shall be severable from this Agreement to the extent of such unenforceability without invalidating the remaining terms and conditions.

#### **18.10 CURRENCY**

Unless otherwise specifically provided herein, all amounts expressed or described hereunder are in lawful currency of the United States of America.

#### **18.11 LANGUAGE**

This Agreement has been drafted in the English language with the consent of both parties. In the event that any or all of this Agreement, including without limitation any Schedules attached hereto, is translated into a language other than English (which translation shall be at the sole cost and expense of Client), the English language version thereof shall govern in the event of any conflict or inconsistency between the English language version and the version in such other language.

#### **18.12 GOVERNING LAW**

This Agreement shall be construed according to the laws of the Province of Ontario, Canada, and the parties agree to attorn to the exclusive jurisdiction of the courts of Ontario, Canada. The parties further agree that the provisions of the United Nations Convention on Contracts for the International Sale of Goods (also known as the "Vienna Sales Convention") shall not apply to the subject matter of this Agreement.

#### **18.13 NON-WAIVER**

No term or condition of this Agreement can be waived except by the written consent of the waiving party and any forbearance or indulgence by either party in any regard shall not constitute a waiver of the term or condition to be performed by the other party; and until complete performance by the other party of the term or condition the waiving party shall be entitled to invoke any remedy available to it under this Agreement or at law.

#### **18.14 ENTIRE AGREEMENT**

This Agreement represents the entire transaction between the parties relating to its subject matter, its execution has not been induced by, nor do any of the parties rely upon or regard as material, any representations, negotiations, statements or proposals, written or oral, whatsoever not incorporated herein and made a part hereof, and it supersedes all prior agreements, negotiations and proposals, written and oral, relating to the subject matter of this Agreement. No agreement purporting to amend or modify this Agreement shall be valid and binding upon the parties unless in writing and signed by both parties.

#### **18.15 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. Delivery by facsimile transmission or electronic transmission of an original executed counterpart of a signature page to this Agreement shall be effective as delivery of an original executed counterpart of this Agreement. There is no requirement for delivery of original executed signatures between the parties.

**18.16 TIME OF THE ESSENCE**

Time is of the essence in this Agreement.

**18.17 ENUREMENT**

This Agreement shall inure to the benefit of and be binding upon the parties hereto, their successors and, where permitted or approved, their assigns.

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**18.18 SURVIVAL**

Notwithstanding any other provision hereof, and without prejudice to survival of other terms of this Agreement provided elsewhere, Sections 8.05, 8.09, 8.12, 8.14, 8.15, 8.16, Article 12, Article 13, Article 14, Article 15, Article 16, Article 17, Sections 18.01, 18.09, 18.12, 18.13 and 18.17 shall survive the expiration of the Term or any termination of this Agreement.

IN WITNESS WHEREOF the parties have executed this Agreement.

**IMAX CORPORATION**

Per:  **G. MARY RUBY**  
Chief Administrative Officer  
& Corporate Secretary

Per:  **Brian J. Bonnick**  
Executive Vice President  
& Chief Technology Officer

I/We have authority to bind the corporation

**SHOWCASE ENTERTAINMENT LIMITED**

Per:  **Carlos Foulkes (Chairman)**

I have authority to bind the corporation

**SCHEDULE A**  
**IMAX® THEATRE SYSTEM**

**SPECIFICATIONS OF SYSTEM, INSTALLATION  
TESTING AND TRAINING SERVICES**

**SCHEDULE B**  
**IMAX® THEATRE SYSTEM**

**ELECTRICAL, MECHANICAL AND ACOUSTICAL REQUIREMENTS**

**SCHEDULE C**  
**SPECIFICATION FOR IMAX® 3D VIEWING GLASSES**

**SCHEDULE D**  
**FORM OF BOX OFFICE REPORT**

**SCHEDULE E**  
**TECHNICAL QUALIFICATIONS**

**SCHEDULE F**  
**TRADEMARK AND LOGO USAGE GUIDELINES**

**SCHEDULE G**  
**CERTIFICATE OF ACCEPTANCE**

**SCHEDULE H**  
**MARKETING & BEST PRACTICES GUIDELINES**

**SCHEDULE I**  
**EXCLUSIVE RIGHTS**

**SCHEDULE J**  
**GUARANTEE OF ATAVUS GROUP LIMITED**



## **GT Laser Theatre System Specifications – Schedule A**

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### **1.0 IMAX Theatre System**

Comprised of:

- IMAX Laser Projection System
- 12 Channel Sound System
- Screen System
- Glasses System

This system incorporates an IMAX Laser Projector, electronic controls, a screen system, multi-channel digital sound system, and glasses cleaning system.

System will have applicable regulatory certifications (emissions, safety, etc.). Any other local approvals/certifications are responsibility of the client.

### **2.0 IMAX Laser Projector**

Dual Laser digital projectors electronically controlled, 2D/3D projection unit.

#### **2.1 Projector Unit**

- Dual digital 4K projectors
- Laser Illumination System
- 1.43 Aspect Ratio available
- Capability for higher frame rates at 2K resolution
- Secure enclosure with security monitoring system
- Content protection
- Next Generation Proprietary Image Enhancement system, with external camera for image calibration ensuring perfect alignment and brightness
- Custom high-performance server
- Auto focus calibration
- Alternate content input
- Integrated, electronically controlled power supplies
- Lenses to suit theatre's geometry

#### **2.2 Control Console**

- LCD touch-screen is provided for operator user interface. This provides the facility for regular show operation, status displays and access to a wide variety of programming and maintenance functions.
- Incorporates basic automation needs.
- Compatible with theatre TMS



## GT Laser Theatre System Specifications – Schedule A

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### 2.3 Port Window

- High quality optical glass for low light loss.
- Acoustic seal to theatre.

### 3.0 SOUND SYSTEM

#### 3.1 Sound Source

- High resolution playback from uncompressed audio files.
- Capable of handling Audio files specially enhanced to provide depth and clarity using 12 channels plus sub-bass system.

#### 3.2 Electronic Equipment

- Dedicated power amplification channel for each of the main channels.
- Programmable equalization for each of the main channels.
- Patented auto-calibration technology.
- Dedicated subbass amplification.
- Projection room monitor speaker.
- Control screen selection of input channels, sound levels, programming, and diagnostics.
- Ability to connect to facility's non-sync sound source.

#### 3.3 Loudspeakers

- Loudspeaker clusters will be capable of handling high power levels, mounted in custom-designed proprietary enclosures.
- Orientation of the enclosures, and/or horns will be adjusted during system commissioning to provide the required spatial distribution to suit the Theatre acoustics, geometry and seating arrangement.

#### 3.4 Additional Features

- Permits the assembly, edit, and playback of primary feature, trailers, and multi-media, non-sync pre-shows
- IMAX provides an output for interfacing with hearing assist and descriptive video systems provided by others.

### 4.0 SCREEN SYSTEM

- High gain coated non-depolarizing, perforated vinyl screen sheet.
- No visible defects in projected image from minimum 6 meters (20').
- Tubular steel supporting structure for screen sheet. (if required)
- Screen speaker support facility included.



## **GT Laser Theatre System Specifications – Schedule A**

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### **5.0 3D GLASSES SYSTEM**

The IMAX projection system utilizes two projectors with different wavelength primary colors to project 3D images on the screen. The audience views the 3D pictures through reusable filter glasses which only allow the wavelengths of the colors that destined for each to pass to that eye and quantity of glasses are defined under separate agreement.

### **6.0 GLASSES CLEANING SYSTEM**

- An IMAX developed glasses cleaning system is supplied to clean reusable glasses.
  - Automatic wash.
  - Integral tables.
  - Capacity of approximately 600 glasses per hour.

### **6.1 Accessories Package**

Cleaning racks.

### **7.0 INSTALLATION**

- IMAX will require up to 3 weeks to complete the equipment installation, testing and operator training before the theatre is ready for any screenings.
- Installation will only commence upon receipt of the Pre-Installation Checklist, as provided by the IMAX Project Manager, confirming satisfactory completion of the auditorium and projection room in accordance with Schedule B.
- IMAX will carry out a visual inspection of the equipment prior to installation to ensure that all packing is properly removed and that no damage has occurred to the equipment. IMAX personnel will be present to supervise the installation and connection of services to the system.

### **8.0 TESTING**

- The system, although already thoroughly tested at our facility, will be put through a complete functional start-up and test procedure to ensure proper operation.
- This includes checking adjustments of critical components, performing any installation specific work and a review of the installation work itself.
- The Sound System will be calibrated for the finished theatre environment.

### **9.0 TRAINING**

- Training will be provided for a maximum of four (4) projectionists in advance of the theatre opening, at least one of which will be appointed as the senior operator by the Client. Projectionist should be on staff from the beginning of system installation and must be available for 3 uninterrupted days for training. Projectionists will be certified by IMAX once the training program has been successfully completed.





## GT Laser Theatre System Specifications – Schedule A

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- Training will include: system operation, System Video calibration, routine cleaning and maintenance schedules, sound system performance, projection system performance, show creation, video file upload, Screen Management System training.
- Laser Safety Training. The IMAX GT Laser Projection System is certified as a Class 4 laser product by Federal Drug Administration (FDA) of the United States, complies with the Canadian Radiation Emitting Devices Act, REDR C1370 and EN 60825-1 (laser products) and, if applicable, EN 60825-2 (fiber optic laser products). All operators will be trained on basic laser safety and must complete the IMAX Laser Safety Training. Training will be standard commercial laser safety awareness training and any special precautions that need to be observed for the IMAX GT Laser System. This training will be done by the IMAX Installation Supervisor during the System Installation.
- Most laser safety legislation around the world makes reference to the requirements to comply with the American National Standard (ANSI) for the Safe Use of Lasers an international best practice for the safe use of lasers. In order to comply with applicable legislation it is recommended that a manager at the theatre will be trained as the Laser Safety Officer by an accredited agency and that the LSO develops and maintains a laser safety program in accordance with the ANSI Standard for the Safe Use of Lasers.

### **10.0 IMAX PROGRAM OF PRODUCT DEVELOPMENT**

*In keeping with its policy of continual technical improvements of its projection systems, IMAX may develop equipment, which modifies part or all of these specifications, subject to the provisions that:*

- i) The perceived image and sound quality will not be reduced in any way from that specified;*
- ii) The equipment parameters (function, size, weight and utility requirements) will not substantially impact on the operation of the theatre as may be stated herein; and*
- iii) Equipment modification costs borne pursuant to Subsections 3.03 and 6.02(a) of the Agreement.*





## GT Laser Theatre System – Schedule B

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### 1.0 GENERAL

Equipment and facility requirements are outlined for each building space into which IMAX supplied equipment is installed. Sizes and weights are for given equipment in serviceable condition. Electrical services are required circuit ratings, actual equipment consumption is lower.

### 2.0 PROJECTION ROOM

#### 2.1 Accommodation For IMAX Supplied Items

	Approx. Size (L,W,H) mm (in) / each	Approx. Weight kg (lbs) / each
Projection System (2 projectors)	2560 x 900 x 2250 (100 x 35 x 88)	730 (1600)
Port Window	2000 x 76 x 750 (79 x 3 x 30)	36(79)
Equipment Rack ( 2 racks)	585 x 815 x 1955 (23 x 32 x 77)	263(580)
Operators Console	535 x 330 x 1320 (21x 13x 52)	27 (60)
Chillers (4 Units)	760 x 760 x 900 (30 x 30 x 36)	100 (220)

#### 2.2 Air Filtration System

The HVAC system shall have a minimum efficiency rating of 30% dust-spot efficiency, while the final filter must have a standard efficiency rating of 95% dust-spot efficiency, based on ANSI / ASHRAE 52.1-1992 and/or be rated Merv 14 or F9.

#### 2.3 Booth Heat Load

- The IMAX Laser system including projectors, Chillers, Equipment Racks & Control Console will produce a heat load of (18-24) kW into the projection Room. The exact heat load is determined by the screen size based on the IMAX theatre design drawings. The facility HVAC system will be responsible for the management of this heat to keep the room temperature within Section 2.9 of this document
- Existing exhaust fans can be used to reduce the Laser system heat load if required

#### 2.4 Internet Connection

- The client shall provide a high speed internet connection (512 kbps or more) to ILPS SMS (IMAX Laser Projection System) (Screen Management System)
- The internet connection shall be available 24 hours a day, 7 days a week.



## GT Laser Theatre System – Schedule B

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- The internet connection shall be completed and operational during ILPS installation.
- The client shall provide VPN or external static IP address access to and from the ILPS.
- The client shall provide port(s) for FTP access to and from the ILPS with address 216.191.151.133.
- The client shall provide port(s) for SNMP access to and from the ILPS with address 216.191.149.165.
- The client shall provide port(s) for RDP access to and from the ILPS port 3389.
- Enable the Firewall settings on your Dedicated Modem/Dedicated Router Device.
- Block all inbound Internet Traffic TCP/UDP ports except for 3389 TCP and ensure port 3389 TCP is forwarded to your IMAX SMS IP Address as this will enable IMAX INOC to log into your IMAX system if any issues occur and require remote assistance.
- If your Modem/Router also allows blocking Outbound Internet Traffic please enable the block and allow 162 UDP Outbound and 21 TCP Outbound from your IMAX SMS IP Address. *(Not all Modem/Routers will have this feature; if your device does not have this feature, please disregard.)*
- The client shall provide a primary contact person who is responsible for the internet networking (setup, maintenance, troubleshooting) to IMAX and will work with IMAX to resolve any internet connection issues.

### 2.5 Virus Protection

- The theatre's own computer which the KDM delivered to by email shall have adequate virus protection with the latest virus profile and virus-free.
- The USB thumb drive used to transfer the KDM shall have adequate virus protection with the latest virus profile and virus-free. This USB thumb drive should be dedicated for KDM transfer only and shall not be used in other computers or for other purposes.
- The ingest of the KDM from this USB thumb drive shall be done through the rear USB port on the right projector.

### 2.6 Projectionist Viewing Port

Double pane or single pane non-tempered glass adjacent to sound rack control screen. Glass sized to specific theatre geometry confirmed during design development.

### 2.7 Electrical Services

Client shall provide stable A/C power supplies, 50/60Hz (47-63Hz), for equipment in accordance with IMAX issued drawings and requirements with a +10% maximum deviation from nominal.



## GT Laser Theatre System – Schedule B

### 2.8 Projection and Sound Systems

The projection and sound systems are capable of operation within a range of local supply voltages as follows:

Low Voltage (North America)				
Description	Power Type	Breaker Rating	Connection	Suggested Wire Size
Right Projector	200-240v, 3phase	3 Pole, 50 Amp	L1, L2, L3, TG	6 AWG
Left Projector	200-240v, 3phase	3 Pole, 50 Amp	L1, L2, L3, TG	6 AWG
Equipment Rack	200-240v, 3phase	3 Pole, 50 Amp	L1, L2, L3, TG	8 AWG
Right Chiller 1	200-240v, 3phase	3 Pole, 20 Amp	L1, L2, L3, TG	12 AWG
Right Chiller 2	200-240v, 3phase	3 Pole, 20 Amp	L1, L2, L3, TG	12 AWG
Left Chiller 1	200-240v, 3phase	3 Pole, 20 Amp	L1, L2, L3, TG	12 AWG
Left Chiller 2	200-240v, 3phase	3 Pole, 20 Amp	L1, L2, L3, TG	12 AWG
Screen Shaker Transducer Equipment Rack	200-240v, Single phase	1 Pole, 20 Amp	L1, L2, BG	12 AWG

High Voltage (Europe & South America)				
Description	Power Type	Breaker Rating	Connection	Suggested Wire Size
Right Projector	380-415v, 3phase	4 Pole, 30 Amp	L1, L2, L3, N, TG	10 AWG
Left Projector	380-415v, 3phase	4 Pole, 30 Amp	L1, L2, L3, N, TG	10 AWG
Audio Rack	380-415v, 3phase	4 Pole, 30 Amp	L1, L2, L3, N, TG	10 AWG
Right Chiller 1	380-415v, 3phase	4 Pole, 10 Amp	L1, L2, L3, N, TG	12 AWG
Right Chiller 2	380-415v, 3phase	4 Pole, 10 Amp	L1, L2, L3, N, TG	12 AWG
Left Chiller 1	380-415v, 3phase	4 Pole, 10 Amp	L1, L2, L3, N, TG	12 AWG
Left Chiller 2	380-415v, 3phase	4 Pole, 10 Amp	L1, L2, L3, N, TG	12 AWG
Screen Shaker Transducer Equipment Rack	380-415v, Single phase	1 Pole, 10 Amp	L1, N, BG	12 AWG

A dedicated and isolated power panel shall be provided for the Projection and Sound system equipment, and, **be grounded using a separate direct technical ground connected to the building incoming power source ground and not shared with any other equipment.**





## GT Laser Theatre System – Schedule B

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### 2.9 Environment

These conditions shall be maintained 24 hours a day, year round commencing at start of installation, giving due consideration to the additional equipment heat loads generated during operation.

**Temperature** 18-25°C (65-77°F)

**Humidity** 30-50% rh\*

\*Independent of temperature requirements by A/C System

<b>Component Heat Loads</b>	Digital Projection Unit	0.5- kW each
	Equipment Rack	3.4- kW
	Chiller Unit	2 to 6- kW each (15.5 kW total 4 chillers)

#### **Facility circuit breaker protection:**

Residual current detection (ground fault) circuit breakers are not to be used

#### **Facility voltage:**

##### **For a facility with high voltage 3 phase (i.e. 380 to 415 VAC)**

If the measured average supply voltage of the facility throughout the day is 5% or more above 415VAC or 5% or more below 380VAC then a regulating transformer must be installed to reduce or increase the voltage respectively to the IMAX equipment such that the average voltage is in the 380 to 415VAC range.

If a wide voltage swing (i.e. more than 10% of the facility nominal voltage) is measured at the facility through the course of a day a stepping transformer may be required to ensure the center the voltage swing occurs at about 400VAC.

##### **For a facility with low voltage 3 phase (i.e. 200 to 240VAC)**

If the measured average supply voltage of the facility throughout the day is 5% or more above 240VAC or 5% or more below 208VAC then a stepping transformer must be installed to reduce or increase the voltage respectively to the IMAX equipment such that the average voltage is in the 208 to 240VAC range.

If a wide voltage swing (ie more than 10% of facility nominal voltage) is measured at the facility through the course of a day a stepping transformer may be required to ensure the center the voltage swing occurs at about 225VAC.

#### **Facility Voltage Transient protection:**

May be required in areas with frequent lightning storms or areas located near other electrical power consuming industrial facilities.



## GT Laser Theatre System – Schedule B

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### 3.0 THEATRE

#### 3.1 Accommodation For IMAX Supplied Items

	Approx. Size each (L,W,H) mm (in)	Approx. Weight each kg (lbs)
8-element Subbass Speaker Set	762 x 1030 x 1005 (30 x 40.5 x 39.5 )	363 (800)
Front of House Speakers (4)	1600 x 435 x 1690 (63 x 17 x 67)	132 (300)
Direct Rear Speakers (2)	1700 x 780 x 685 (67 x 31 x 27)	88 (200)
Immersive Speakers (6-8)	600 x 600 x 400 (24 x 24 x 16)	40 (88)
Screen Shaker Transducer Equipment Rack	585 x 815 x 1955 (23 x 32 x 77)	250 (550)

#### 3.2 Environment

These conditions must be maintained 24 hours a day, year round commencing at start of installation, giving due consideration to the additional equipment heat loads generated during operation

##### **During Operating Hours:**

**Temperature** 18-27°C (65-80°F)

**Humidity** 30-70% rh\*

\*Independent of temperature requirements by A/C System

##### **During Non-Operating Hours:**

**Temperature** 8-32°C (50-90°F)

**Humidity** 30-70% rh\*

#### 3.3 Air Filtration System

The HVAC system shall have a minimum efficiency rating of 30% dust-spot efficiency, while the final filter must have a standard efficiency rating of 95% dust-spot efficiency, based on ANSI / ASHRAE 52.1-1992 and/or be rated Merv 14 or F9.

#### 3.4 Acoustics and Noise Control

##### **General**

The acoustical environment of the theatre is a vital element of an IMAX experience. Sound effects, such as "ambience" and positional effects have already been created on the film sound track and should be subject to minimum coloration by the theatre acoustics.

## GT Laser Theatre System – Schedule B

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An IMAX theatre is not a live performance theatre, therefore; the acoustical design should not be based on classical theatre or concert hall criteria. The theatre shall be designed as a neutral acoustic environment – to be free of spurious, discrete and isolated sound reflections

### **Electro-acoustic Response**

The electro-acoustic response of the sound system (including amplifiers, screen and loudspeakers) in the completed Theatre will be adjusted by IMAX.

### **3.5 Acoustical Consultant, Review and Approval**

Acoustical and Noise Control performance requirements must be incorporated into the building design by a competent Acoustic Engineer.

Client shall engage a specialist acoustical consultant, satisfactory to IMAX, to collaborate with the architect on acoustical design and noise control. The resultant acoustical design shall be submitted to IMAX for review. Any corrections or changes deemed necessary in the opinion of IMAX shall be incorporated into the final design and construction of the theatre.

### **3.6 Noise Control**

The Theatre shall be designed and constructed to achieve a maximum auditorium ambient noise criterion of no more than NC-25, in accordance with ISO 9568:1993 and SMPTE RP141-1995. In instances where these standards conflict, the most stringent requirements must be used. This NC-25 requirement includes the total equivalent noise from all external and internal noise sources with all mechanical and electrical systems operating simultaneously. To achieve this, the external and internal noise environment must be evaluated and the results reported. Attention must be paid to the sound transmission loss characteristics of walls, ceilings, floors, doors, windows, roof and other perimeter elements. Maximum background noise at each octave band shall be as shown in Table 1.

<b>Table 1: Background Noise Criteria (NC), SPL in dB re 20µPa</b>										
Octave Band (Hz)	31.5	63	125	250	500	1K	2K	4K	8K	16k
NC-25	65	54	44	37	31	27	24	22	21	21

There must be adequate noise and vibration isolation from other noise sources within the building itself including machinery such as fans, pumps and air-conditioning units. Ducts and grills shall be sized for low noise performance and ducts shall be lined and provided with noise attenuating devices in accordance with design practices sufficient to meet the required noise criterion of NC-25.





## GT Laser Theatre System – Schedule B

Noise transmitted from spaces adjacent to or nearby the IMAX auditorium must be reduced to a level consistent with the overall NC-25 requirements. Intrusion of noise into the IMAX auditorium from adjacent spaces such as other auditoriums must be mitigated. Noise reduction (NR) from typical adjacent theatres must be a minimum of 40 dB at 31.5 Hz octave band, 55 dB at 63Hz band, 65 dB at 125 Hz band, and 70 dB for all bands above 125 Hz. Actual sound levels emanating from adjacent spaces including the projection room must be determined and mitigated in the building design.

### 3.7 Reverberation Time

The Theatre reverberation time at 500 Hz (Reference RT<sub>60</sub>) and above should be nominally 0.5 second for smaller theatres with fewer than 400 seats. The Reference RT<sub>60</sub> may increase nominally to 0.7 second for larger theatres over 400 seats. A tolerance of +25% above the nominal value is allowable for this Reference RT<sub>60</sub>. There is no minimum reverberation time specified as typical material choices rarely produce too low

an (RT<sub>60</sub>) for this space. It is a requirement however; that the acoustic treatment result in a gradual decrease in RT<sub>60</sub> with increasing frequency, within industry accepted guidelines. A smooth rise below the 500 Hz value is acceptable as long as the rise is gradual without significant peaks or voids and does not exceed the maximums identified below. The maximum desired reverberation time as a percentage of the Reference RT<sub>60</sub> is indicated in Table 2 below:

<b>Table 2: Maximum Reverberation Time (RT<sub>60</sub>) vs. Frequency</b> As a percentage of the Ref. RT <sub>60</sub> in the 500 Hz Octave Band Ref. = 0.5 sec. for theatres having 400 seats or less Ref. = 0.7 sec. for theatre having over 400 seats										
Freq (Hz)	31.5	63	125	250	500	1K	2K	4K	8K	16k
	<200%	<150%	<130%	<110%	Ref.	≤Ref	≤Ref	≤Ref	≤Ref	≤Ref

### 3.8 Compliance

Acceptance of the theatre by IMAX Corporation depends, among other things, on full compliance with these requirements. Measurements of acoustical and noise conditions in the completed theatre shall be conducted in accordance with the following normative references:

ISO 9568:1993, Cinematography-Background acoustic noise levels in theatres, review rooms and dubbing rooms

SMPTE RP141-1995, Background Acoustic Noise Levels in Theatres and Review rooms

ANSI S1.4 -1983, Specification for Sound Level Meters



## GT Laser Theatre System – Schedule B

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- ANSI S1.11.1986,      Specification for Octave-Band and Fractional-Octave-Band Analog & Digital Filters
- ANSI S1.13-1995,      Measurement of Sound Pressure Levels in Air
- ASTM E 336,          Standard Test Method for Measurement of Airborne Sound Insulation in Buildings

### 3.9 Accommodation For IMAX Supplied Items

	Approx. Size (L,W,H) mm (in.)	Approx. Weight kg (lbs)
Glasses Cleaning Machine	2134 x 2134 x 1524 (84 x 84 x 60)	200 (441)

### 3.10 Client Supplied Items

#### Water Supply

Water temperature shall be between 49-52°C (120-125°F). The maximum level of Calcium Carbonate in the water supply is 50 parts per million.

#### Waste Water

A rigid connection to waste water system or feed to open drain.

### 3.11 Electrical Services

Client shall provide stable a/c power supplies, 50/60Hz (47-63Hz), for equipment in accordance with IMAX issued drawings and requirements with a  $\pm 10\%$  maximum deviation from nominal.

#### **Glasses Cleaning System**

The glasses cleaning equipment is available for operation at the following local power supplies:

- Cleaning Machine:      115V, 60Hz, 1phase  
In-line water heater:    208V, 60Hz, 3 phase (not required if hot water supplied)  
**OR**  
Cleaning Machine:      230V, 50Hz, 1phase  
In-line water heater:    380- 415V, 50 Hz, 3phase (not required if hot water supplied)





## GT Laser Theatre System – Schedule B

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### 3.12 Environment

These conditions shall be maintained commencing at start of installation, giving due consideration to the additional equipment heat loads generated during operation.

#### **During Operating Hours:**

**Temperature** 18-27°C (65-80°F)

**Humidity** 65% rh max.\*

\*Independent of temperature requirements by A/C System

#### **During non-Operating Hours:**

**Temperature** 8-32°C (50-90°F)

**Humidity** 65% rh max.\*

**Heat Load** Glasses Cleaning Machine  
19kW operating Total

### 4.0 CLIENT INSTALLATION RESPONSIBILITIES

Client shall:

- Provide **qualified** labour (both general and specialized) as well as all material required for the installation of the projection, sound, screen and glasses cleaning system.
- Assume responsibility for all Health & Safety regulations for the installation labour.
- Maintain the environment of each building space into which IMAX supplied equipment is installed as outlined. Failure to do so may result in damage to the equipment.
- Provide power circuit distribution and protection for all equipment per IMAX drawings.
- Provide all raceways and conduits necessary to connect those components supplied and/or specified by IMAX.
- Arrange for electrical contractor to supply, install and terminate all power cabling as well as install the specialized loudspeaker and control wires as supplied by IMAX.
- Arrange for installation of exhaust and projection system air filtration system.
- Complete a pre-installation checklist before installation will commence. (Section 7.0)
- Provide language interpretation to assist IMAX personnel during installation and training.
- Assume responsibility to ensure all local building, electrical and all other local codes are met including hearing assistance.
- Provide structural anchor points to support two rear and two side wall IMAX speakers. Anchor point locations to be identified by IMAX.
- Provide details, including drawings, at least 30 days prior to installation if the IMAX system is to be connected to any third party automation system, fire alarm, or any other external signal I/O's.
- Provide a solid floor to support the IMAX digital projectors with zero deflection under normal operating conditions. Follow Octave criterion curve: ISO Residential Day. See Imax document # DES-SP-0246.
- Provide structural anchor points and rigging system to install and maintain four IMAX Immersive Audio speakers in the ceiling. Anchor point locations to be identified by IMAX. Rigging system supplied and maintained by the client per IMAX specification (107660-RS)



## GT Laser Theatre System – Schedule B

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### 4.1 Labour Requirements

Machinery Movers	4 men x 1 day	Unload, move-in and set-up equipment
Electricians	2 men x 3 days	Electrical connections
Electrician	1 man x 1 day	Glasses cleaning machine power connection
Plumbers	1 man x 1 day	Glasses cleaning machine plumbing
Riggers	4 men x 5 days	Install speakers
Riggers	4 men x 2 days	Install Immersive speakers
Laborers	8 men x 1 day	Hang and stretch screen sheet
Riggers	4 men x 4 days	Build screen frame structure
Riggers	4 men x 5 days	Install Screen Shaker Transducers

**Note: Labour requirements are estimates only, actual time may vary.**

### 4.2 Tools & Equipment Requirements

Pry bars  
Hammers  
Steel band cutters  
Two, furniture moving carts  
Screw Gun, "Phillips screw bit"  
Basic plumbing & electrical trade tools  
Hoist, "Chain fall" 500-lb capacity, 30-ft lift  
Two Rated (2400-lb) Lifting Slings, 2" x10',  
Two rated shackles to fit slings, (nominal size 1")  
Hammer drill with 3/8" (9.5-mm) concrete bit  
Lift truck or pallet truck if 4-ft. (1.2-m) loading dock available  
Metric Socket and wrench sets

### 5.0 COMPLETION OF BUILDING SPACES

It is a requirement of this contracts that, prior to the commencement of installation, the Theatre itself, projection room and equipment rooms be in a satisfactory state of completion.

IMAX supplied equipment shall be moved into a clean, dust-free, finished environment with walls, ceilings and floors sealed, painted and/or covered as provided in the design

Installation shall not commence until all facility construction and services as called for in this schedule are substantially complete per the checklist below.

Installation of wiring for loudspeakers, erection of the screen towers and frames, hanging of loudspeaker clusters shall be co-ordinated with other work in the theatre and shall not commence until the theatre is sufficiently complete, in the sole opinion of IMAX, for such work to proceed under proper conditions of safety, cleanliness and access.

Tuning of the sound system cannot commence until theatre space is complete, i.e.: screen, seating and all surface finishes are in place.



## GT Laser Theatre System – Schedule B

### 5.0 PRE-INSTALLATION CHECKLIST

<b>Element To Be Reviewed:</b>	
<b>1. PROJECTION ROOM</b>	
<b>Architectural Elements</b>	
Projection Room complete	<input type="radio"/>
Doors installed	<input type="radio"/>
Viewing window installed	<input type="radio"/>
Port window opening correct size and location	<input type="radio"/>
Power panels installed and wired	<input type="radio"/>
<b>Mechanical Elements</b>	
HVAC System operational, temp. & humidity Control	<input type="radio"/>
<b>Electrical Elements</b>	
Room lights functional	<input type="radio"/>
Confirm a high speed internet connection available	<input type="radio"/>
<b>2. AUDITORIUM</b>	
<b>Architectural Elements</b>	
Room finishes completed	<input type="radio"/>
Doors installed	<input type="radio"/>
Auditorium seats installed	<input type="radio"/>
Confirm Pre painted screen access path clear	<input type="radio"/>
<b>Structural Elements</b>	
Rear & Side wall speaker hanger brackets installed	<input type="radio"/>
Immersive Audio rigging installed	<input type="radio"/>
Screen frame tie-back brackets in place	<input type="radio"/>
<b>Mechanical Elements</b>	
HVAC System operational	<input type="radio"/>
<b>Electrical Elements</b>	
Conduits to speakers in place, wire pulled	<input type="radio"/>
Lights installed and operational	<input type="radio"/>
<b>3. GLASSES CLEANING ROOM</b>	
<b>Architectural Elements</b>	
Room finishes completed	<input type="radio"/>
Doors installed	<input type="radio"/>
<b>Mechanical Elements</b>	
HVAC System operational	<input type="radio"/>
Domestic hot water service in place	<input type="radio"/>
Floor drain at GCM location in place	<input type="radio"/>
Water softener installed	<input type="radio"/>
Water hose and nozzle in place	<input type="radio"/>
<b>Electrical Elements</b>	
Disconnect switch or breaker at glasses cleaning machine in place	<input type="radio"/>
Lights installed and operational	<input type="radio"/>





## Schedule C – IMAX® 3D Viewing Glasses

### IMAX® 3D LASER VIEWING GLASSES

#### INTRODUCTION

It is vitally important that glasses for viewing IMAX 3D films meet three performance criteria: give proper separation between the right-eye and the left-eye images, provide a wide field of view consistent with the scale of the IMAX image, and be comfortable to wear. To reduce operating costs, glasses are normally reused after having been sanitized by means of a wash, rinse and dry process.

In the specification that follows, requirements for lens size, performance and viewing comfort are absolute and must be met as a condition of use with the IMAX 3D Projection System. This specification gives the high level critical requirements for 3D glasses and Imax is the only vendor approved to supply 6P Laser viewing glasses.

*The information contained in this schedule is accurate as of the date hereof. However, in keeping with its policy of continuing technical improvement and/or modifications to the equipment or building, IMAX may, upon reasonable notice to the client, alter or amend any of these requirements so as to provide suitable conditions for the proper functioning of the System, provided such alteration or amendment shall not significantly increase the cost to the Client*

#### **LENSES**

- Two pieces of lens (one each for the right and left eye) shall be installed in the frame to provide 3D experience for audience.
- Only lens materials which have been approved by IMAX shall be used.

#### **CLEANING**

- The 3D Glasses shall withstand the specified cleaning chemicals applied at a maximum temperature of +51.5°C (125°F) for a minimum duration of 3 minutes.

#### **ASSEMBLY**

- The 3D Glasses consist of the Lens Frame with integral Arms, lens retaining / sealing mechanism, plus left and right.
- Each pair of 3D Glasses shall be assembled with left lens in the left eye and right lens in the right eye.

#### **FIT**

- The adult/children size 3D Glasses shall fit over prescription glasses used by male and female adults and children, respectively.
- The 3D Glasses shall fit range of head sizes for male and female adults.
- The 3D Glasses shall fit range of nose sizes across various demographics.
- The 3D Glasses shall be designed to prevent glasses falling off the face when looking down.

#### **WEIGHT**

- The weight of the 3D Glasses shall not exceed 49 grams as a threshold.

#### **DURABILITY**

- The 3D optical performance of the glasses shall withstand a minimum of 500 washing cycles.
- The 3D Glasses frame shall maintain a reasonable cosmetic appearance after a minimum of 400 viewing cycles, including washing after every use.
- RFID/Sensormatic tags shall be impervious to water through a minimum of 500 washing cycles.



## **Schedule C – IMAX® 3D Viewing Glasses**

### **TEMPERATURE**

- The 3D Glasses shall withstand operation over the temperature range of +10°C to +40°C.
- The 3D Glasses shall withstand storage over the temperature range of -20°C to +60°C.
- The 3D Glasses shall withstand transportation/handling over the temperature range of -20°C to +60°C.

### **HUMIDITY**

- The 3D Glasses shall withstand operation over the humidity range of 10% to 85% humidity (relative, non-condensing).
- The 3D Glasses shall withstand storage over the humidity range of 10% to 90% humidity (relative, non-condensing).
- The 3D Glasses shall withstand transportation over the humidity range of 10% to 90% humidity (relative, non-condensing).

### **FRAME**

- The frame shall be smooth with no sharp edges and free of flashing.
- The frame shall be moulded per samples approved by IMAX.
- The color and surface finish of frames and temples shall be made per samples approved by IMAX.

### **QUALITY**

- The lenses shall be 100% visually inspected with the unaided eye and a light table rejecting any lens that has noticeable defects, chips, stains, blemishes or scratches. After assembly into the frames, the glasses are visually inspected by holding the frames at arm length and using fluorescent lighting to ensure that lenses have no noticeable defects, chips, stains, blemishes or scratches.

### **SENSORS**

- The frame temples shall include a RFID tag as specified in Smartrac-RFID-3002425.pdf
- The frame temples shall include a Sensormatic sensor as specified in Sensormatic\_Non-Deactivatable\_Label\_US\_ZLAML-NDLS4.pdf

**Theatre**  
Name: **Theatre Attendance and Admissions**  
Please send Information to: Tina Sidawi, Receivables Coordinator at [reports@imax.com](mailto:reports@imax.com), fax (905) 403-6467 or phone (905) 403-6518 or such other person as Imax may advise from time to time.

THE CURRENCY USED IN THIS REPORT IS THE: \_\_\_\_\_

(IF US DOLLAR TRANSLATION HAS OCCURRED, PLEASE NOTE THE FOREIGN EXCHANGE RATE UTILISED)

APPROVED BY: \_\_\_\_\_ DATE: \_\_\_\_/\_\_\_\_/\_\_\_\_

APPROVED BY: \_\_\_\_\_ DATE: \_\_\_\_/\_\_\_\_/\_\_\_\_

PLEASE FILL IN THE ABOVE INFORMATION PER THE SYSTEM AGREEMENT TO PROVIDE YOU WITH AN ACCURATE STATEMENT OF ACCOUNT.

## **Schedule E**

### **IMAX CORPORATION QUALIFICATIONS/EXPERIENCE FOR TECHNICAL PERSONNEL IMAX® THEATRE SYSTEM**

#### **SENIOR OPERATOR**

##### **General**

- Mechanical and/or electrical aptitude

##### **Computer**

- Internet Explorer basics
- Window Explorer (copy files, run batch files, save files on USB key, etc.)
- Ability to read English technical documentation will be an asset
- Basic English conversation skills will be an asset

##### **Other Assets**

- Technical trade school diploma or equivalent
- Experience with conventional cinema systems

# INMAX<sup>®</sup>

## BASIC TRADEMARK & BRAND GUIDELINES MANUAL

CURRENT AS OF MARCH 2014



**The IMAX<sup>®</sup> brand is one of the most powerful and respected brands in the entertainment industry and is recognized worldwide for delivering premium experiences.**



Clear and consistent brand communication will attract new customers, develop loyalty, drive sales and build your business. IMAX consumers respect the same values and quality of the IMAX brand no matter where they live; therefore, our message must be expressed the same globally.

These trademark and brand guidelines have been developed to help you effectively communicate the values and meaning associated with the IMAX brand.

The trademarks of IMAX Corporation may only be used by third parties under written license agreements with the company. It is important to note that these guidelines are subject to revision by the company without notice.

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# ABOUT THIS MANUAL

4	LOGO VARIATIONS AVAILABLE FOR USE
5	THE IMAX® COLOR PALETTE
6	CLEAR SPACE, MINIMUM SIZE
7	SIGNAGE APPLICATIONS
8	WHAT NOT TO DO
9	TRADEMARK USAGE
10	TRADEMARK INFRINGEMENT

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THROUGHOUT THIS GUIDE, THE FOLLOWING SERIES OF SYMBOLS WILL INFORM YOU AT A GLANCE:



NEVER DO THIS



THIS IS CORRECT



IMPORTANT NOTE

## LOGO VARIATIONS AVAILABLE FOR USE



The IMAX logo and taglines are original pieces of artwork that must never be modified. Do not reproduce, recreate or alter the IMAX logos or logo/taglines combinations. Use the approved artwork only. Do not scan the logo; use only the original digital files obtained directly from IMAX Corporation.

**IMAX<sup>®</sup>**

Primary

**IMAX<sup>®</sup>**

Primary Black

**IMAX<sup>®</sup>**

Reverse/Knockout

**IMAX<sup>®</sup>**  
— IS BELIEVING<sup>®</sup> —

EXPERIENCE IT IN **IMAX<sup>®</sup>**

EXPERIENCE IT IN  
**IMAX<sup>®</sup>**

**IMAX<sup>®</sup>**  
**3D**

EXPERIENCE IT IN  
**IMAX<sup>®</sup>**

**3D**

**IMAX 3D**

EXPERIENCE IT IN **IMAX 3D**

# THE IMAX® COLOR PALETTE

## IMAX BLUE AND COLOR FORMULAS



The preferred color of the “IMAX” logos/taglines/signage is IMAX Blue.  
In situations where IMAX Blue does not provide adequate contrast, the IMAX logos/taglines may appear in black or white:



**IN PRINT (COATED/UNCOATED STOCK):**  
C63 / M52 / Y51 / K100  
PMS BLACK

**SCREEN RGB:**  
R0 / G0 / B0

**WEB:**  
#000000



**IN PRINT (COATED STOCK):**  
C87 / M23 / Y0 / K0  
PMS 2925C

**IN PRINT (UNCOATED STOCK):**  
C89 / M0 / Y1 / K0  
PMS 2995U

**SCREEN RGB:**  
R0 / G144 / B212

**WEB:**  
#0090D4



**IN PRINT (COATED/UNCOATED STOCK):**  
C0 / M0 / Y0 / K0  
PMS BLACK

**SCREEN RGB:**  
R255 / G255 / B255

**WEB:**  
#FFFFFF

# CLEAR SPACE AND MINIMUM SIZE

## INCLUDING PROPORTION ON THE PAGE



All logos must be clear and legible. It must always be printed at the specified minimum size of one inch (2.54 cm) in length or larger.

Symbols, design elements and other identifiers such as theatre name, sponsor logo or sub-headline must not fall within the clear space surrounding the logo. The IMAX® logo is always provided with the ® mark in its proper position.

The ® must never change its position but may be sized disproportionately in large-scale usage such as signage.



Clear space equal to .25 in (.63 cm)



Shown actual max minimum size.

All marketing materials and signage which utilize the trademark must ensure that the IMAX® logo/tagline is given prominence in placement and size and shall be separate and distinct from third party trademarks or brands.



The logo is the most prominent ID on page

All non-IMAX logos are secondary in size and position relationship

# SIGNAGE APPLICATION

## RECOMMENDED LOGO SIGNAGE



Signage is one of the most powerful communicators of our brand. These recommended theatre signage standards have been created to immediately reinforce and differentiate the position of IMAX.



This is the design standard for signage

**IMAX<sup>®</sup>**  
**T H E A T R E**

THEATRE is always in black and is spelled "Theatre"  
..... (Eurostile Bold Extended II)



### SECONDARY ONLY

Where the use of an exhibitor name has been approved by IMAX, use the following styles:

EXHIBITOR NAME  
**IMAX<sup>®</sup>**  
DOME THEATRE

EXHIBITOR NAME  
**IMAX<sup>®</sup>**  
DOME THEATRE

In situations where a location name is also in the theatre name, use the following:

EXHIBITOR NAME  
**IMAX<sup>®</sup>**  
T H E A T R E  
LOCATION NAME

In situations where a sponsor name is to be included, use the following:

**IMAX<sup>®</sup>**  
T H E A T R E  
SPONSOR NAME

If additional signage is used in addition to approved primary signage, the secondary application may be a vertical or horizontal usage and the IMAX logo may appear alone.

**IMAX<sup>®</sup>**

**IMAX<sup>®</sup>**



## WHAT NOT TO DO

**DO NOT** put the logo inside a shape, use a background, or add a symbol or shape that will interfere with readability or clear visibility!



**DO NOT** outline, change the color or remove the ® register mark from the logo!



**DO NOT** add other letters, shapes, a prefix or a suffix to the logo!



**DO NOT** alter the word placement or change the scale or proportions of the logo!



**DO NOT** move the text or alter the size of the lines in the IMAX Is Believing® logo!



**DO NOT** delete lines, alter the size of text or use different colors inside the IMAX Is Believing® logo!



# TRADEMARK USAGE

## REFERENCING THE BRAND

1. All uses of the IMAX<sup>®</sup>, IMAX Is Believing<sup>®</sup> and Experience It In IMAX<sup>®</sup>/3D trademark must include the ®, which indicates that the mark is a registered trademark. The ® must always be located in the top right position.
2. When the trademarks are used in text, the ® must be included with the first usage in the document but may be excluded thereafter. The logotype of the IMAX<sup>®</sup>, IMAX<sup>®</sup> 3D, IMAX Is Believing<sup>®</sup> and Experience It In IMAX<sup>®</sup>/3D trademark is not considered first usage when it appears before text.
3. The IMAX<sup>®</sup> trademark must always be followed by a proper noun: IMAX theatre, IMAX movie, IMAX technology

4. In text, IMAX must ALWAYS appear in UPPERCASE letters when used to refer to the technology (format) – IMAX<sup>®</sup>, or the company – IMAX Corporation. IMAX in the company name is not a trademark and should never be followed by the ®.

5. IMAX Is Believing<sup>®</sup> and Experience It In IMAX<sup>®</sup> should be written with IMAX in uppercase, the remainder of the tagline in initial caps (i.e. IMAX Is Believing<sup>®</sup> never IMAX is believing<sup>®</sup>)

6. IMAX Is Believing<sup>®</sup> and Experience It In IMAX<sup>®</sup>/3D are taglines and should never be incorporated into a sentence.

7. All IMAX trademarks must remain intact and not translated without the prior approval from IMAX Corporation.

*For International applications, please contact [brandmarketing@imax.com](mailto:brandmarketing@imax.com)*

8. The following legal line must be included in footnote form to indicate ownership of the trademarks:
- U.S ONLY:** IMAX<sup>®</sup> is a registered trademark of IMAX Corporation; Experience It In IMAX<sup>®</sup> is a registered trademark of IMAX Corporation.

**U.S., CANADA AND EU COUNTRIES ONLY:**  
IMAX<sup>®</sup> is a registered trademark of IMAX Corporation;  
IMAX Is Believing<sup>®</sup> is a registered trademark of IMAX Corporation.

*For use outside of these countries, please contact [brandmarketing@imax.com](mailto:brandmarketing@imax.com)*

## ADDITIONAL TRADEMARKS

The IMAX Experience<sup>®</sup>, An IMAX 3D Experience<sup>®</sup> and IMAX DMR<sup>®</sup> are registered trademarks of IMAX Corporation and must include the ®

When The IMAX Experience<sup>®</sup> and An IMAX 3D Experience<sup>®</sup> are used outside of North America, the trademark symbol ® should be replaced by an \*.

The legal line would then read:

\* The IMAX Experience and An IMAX 3D Experience are trademarks of IMAX Corporation.



Please note that anything IMAX Corporation does not expressly approve in writing is considered not approved. IMAX Corporation may also require you to recall and/or reprint any marketing materials that do not meet with IMAX Corporation's current brand standards.



## TRADEMARK INFRINGEMENT

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It is the policy of IMAX Corporation to vigorously protect its registered and unregistered trademarks as well as to ensure that our use of new marks and product names do not infringe the trademark rights of others. If you or any affiliate see an infringement or any misuse of any of our trademarks, it must be brought immediately to the attention of:

**IMAX Corporation's Law Department**

Tel: 905-403-6404; Fax: 905-403-6468; or e-mail: [mruby@imax.com](mailto:mruby@imax.com)

**IMAX Corporation**

2525 Speakman Drive, Mississauga, Ontario, Canada L5K 1B1

Tel: 905-403-6500 Fax: 905-403-6468

**SCHEDULE G**

**CERTIFICATE OF ACCEPTANCE**

**LOCATION:**           IMAX® THEATRE [LOCATION] (the "Theatre")

**SYSTEM TYPE:**   IMAX [SYSTEM TYPE] (the "System")

In accordance with the terms and conditions of that certain Agreement [TITLE OF AGREEMENT] dated as of [DATE] between IMAX Corporation ("IMAX") and [CLIENT'S FULL NAME] ("Client") (the "Agreement"), IMAX hereby certifies the completion of the installation and run-in testing of the System and training of personnel as operators of the System as required pursuant to the Agreement, and Client hereby confirms its acceptance of the above matters.

**OPERATIONAL DATE:**

\_\_\_\_\_

**PROJECTED PUBLIC OPENING DATE:**

\_\_\_\_\_

**[CLIENT'S FULL NAME]**

**IMAX CORPORATION**

\_\_\_\_\_  
Signed, Client representative

\_\_\_\_\_  
Signed, IMAX representative

\_\_\_\_\_  
Name (Please print)

\_\_\_\_\_  
Name (Please print)

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

## SCHEDULE "H"

### MARKETING GUIDELINES & BEST PRACTICES

#### **Recommendations for Theatre Launch and Ongoing Marketing of Theatre(s)**

- Client's IMAX Theatre(s) should be well branded throughout the Complex and the branding creates a sense of anticipation and excitement about the IMAX Experience.
- Assign senior staff member who speaks fluent English as marketing contact for IMAX.
- For Theatre launch, Client should develop and execute a marketing plan, including public relations, promotional and media activities for the launch of the Theatre(s) ("**Theatre Launch Plan**"). Such Theatre Launch Plan should include activities such as:
  - Display of IMAX promotional materials;
  - Hosting of preview events;
  - Media interviews on Client's behalf to promote Theatre launch; and
  - Developing and implementing a co-branded Client/IMAX creative strategy.
- Participate with IMAX in approved joint news releases.
- If able, Client should place tickets for advanced sales before the Theatre launch and for subsequent film launches.
- Incorporate IMAX into Client's website as follows:
  - Prior to the Theatre launch, Client to include a banner ad promoting IMAX on Client's home page;
  - Include An IMAX Experience® link on the home page, along with promotion of Client IMAX locations, "now playing" and "coming soon in IMAX®" information links for IMAX films, and a ticket sales referral link.
- Prior to the Theatre launch, Client should commit use of 35mm and digital screens at the Theatre and in other nearby Client-owned theatres to promote the IMAX Theatre launch, now playing and coming soon films. IMAX to provide digital file of IMAX branding trailer, with customized end tags.
- Use lobby monitors, if available, at the Theatre to promote The IMAX Experience®, now playing and coming soon films in advance of the Theatre launch and in advance of all film launches.
- Include IMAX brand and film messaging in digital pre-show.
- Prominently display IMAX brand materials (posters, banners, clings, etc.) as well as IMAX-branded or "sniped" film materials in poster boxes and other locations at the Theatre as they are received from IMAX, studios or distributors.
- For successful ongoing marketing, each of IMAX's major release should be highly visible and anticipated in Client's market through activities such as:
  - Investing in film launch advertising to complement film (studio/distributor) advertising and emphasize the existence and location of the Theatre;
  - IMAX location mention in all of Client's usual advertising supporting IMAX releases, for example, toppers on listing ads, tagged radio ads, TV spots and etc.;
  - When feasible, opening press and "direct to public" public relations activities prior to key film launches;
  - On-line and in-Theatre promotions and display;
  - Media outreach to promote the Theatre, The IMAX Experience® and upcoming films; and
  - "New media" and social networking marketing strategies as they evolve.
- Client's staff to be trained on key IMAX messages, now playing and coming soon films; IMAX up-selling program in place and refreshed prior to each IMAX DMR® film launch.

**SCHEDULE I**  
**EXCLUSIVE RIGHTS**

*CJ. GMR*

Subject to Section 2 of this **Schedule I**, IMAX hereby agrees to provide Client with certain exclusive rights, as set out below:

**1. Exclusive Rights**

IMAX agrees that it shall not open or permit any third party to open another IMAX® theatre within the Territory, other than Excluded Theatres (as defined below), for a period of time commencing on the date of this Agreement and ending on the twelfth (12<sup>th</sup>) anniversary of the Date of Acceptance of the System, such date being no later than March 24, 2029 in any event. For the purposes of this **Schedule I**, “**Territory**” shall mean the islands of New Providence and Paradise Island, The Bahamas.

**2. Right of First Negotiation**

IMAX agrees that it shall provide Client with a right of first negotiation (“**ROFN**”) for any additional IMAX® systems to be installed in IMAX® theatres to be opened: (i) on the island of Grand Bahama, or (ii) at any destination or specialty theatre exhibiting a specialty themed dedicated film for 100% of its programming (as applicable, a “**ROFN Theatre**”) until September 1, 2018 (“**ROFN Period**”). If, and each time during the ROFN Period that IMAX wishes to open another IMAX® Theatre in a ROFN Theatre, IMAX shall first provide notice to Client of such fact (the “**Notice**”). Client shall have fifteen (15) days after receipt of the Notice and proposed terms and conditions to give IMAX a Notice of Intent to enter into a binding agreement with IMAX to open another IMAX® theatre in a ROFN Theatre (the “**Notice of Intent**”). If Client gives a Notice of Intent, the parties shall have thirty (30) days to negotiate in good faith a binding agreement to develop IMAX® theatre(s) in a ROFN Theatre. The parties shall negotiate in good faith as to all terms and conditions for a new IMAX® theatre, including the location for the new IMAX® theatre, and such new IMAX® theatre must open within twenty-four (24) months of the Notice of Intent. If Client does not provide a Notice of Intent or if Client and IMAX fail to enter into a binding agreement within thirty (30) days of the Notice of Intent as described above, then IMAX shall thereafter be free to commence negotiations and enter into agreements with third parties for new IMAX® Theatre(s) in a ROFN Theatre.

**2. General**

- (a) In no event shall the exclusive rights granted above extend to the following:
- (i) any attraction utilizing both a projection system and motion seats/platforms for a simulator ride experience;
  - (ii) temporary theatres or specialty theatres, including, without limitation theatres utilizing IMAX® MAGIC CARPET and/or IMAX® 3D *Dome* technology;
  - (iii) any existing, or committed IMAX® theatres as of the date of this Agreement;
  - (iv) any theatre located at or affiliated with a museum, science centre or other educational institution;

CF- GMR AB

- (v) any demonstration or production theatre which IMAX may develop, which theatre would not be open to the general public;
- (vi) any temporary theatre developed to be operated for a period not to exceed three (3) months in total, which temporary theatre (a) is associated with or operated in conjunction with a sporting event, festival, exposition, or special exhibition such as a world's fair, and (b) is not permitted to exhibit first run day-and-date IMAX Content;
- (vii) any private theatre utilizing IMAX technology, which theatre is not ordinarily accessible to the general public and which theatre does not sell tickets to the general public (for clarity, such private theatre shall not be part of or associated with a commercial cinema complex operating in competition with Client); and
- (viii) any portable or movable theatre that is temporarily located in a Territory and then moved out of such Territory, such as a theatre located on a ship.

(collectively the "Excluded Theatres")

- (b) The exclusive rights granted in this **Schedule I** are conditional upon Client spending at least US\$50,000 on annual advertising and promotion for the Theatre.
- (c) In the event of any default by Client of any of its representations, warranties or covenants or any other obligations under this Agreement that have not been cured within any applicable cure periods, then all rights provided in this **Schedule I** shall automatically terminate and IMAX shall be under no obligation to maintain any exclusive rights in favour of Client.

## **SCHEDULE "J"**

### **GUARANTEE OF ATAVUS GROUP LIMITED**

For value received, and in consideration of the execution of a certain Agreement for Purchase and Sale and Maintenance of IMAX® GT Laser Theatre System and Trademark License between IMAX Corporation ("IMAX") and Showcase Entertainment Limited ("Client") of even date herewith (the "Agreement") and for the purpose of inducing IMAX to enter into such Agreement, the undersigned, Atavus Group Limited, a company incorporated pursuant to the laws of the Bahamas ("Guarantor") does hereby absolutely and unconditionally guarantee to IMAX, its successors and assigns, the full and prompt payment when due, of all payments, charges and additional amounts coming due under the said Agreement, together with the performance of all covenants and agreements of Client therein contained (all such obligations hereinafter collectively referred to as "Liabilities"), and the undersigned further agree to pay all expenses, including reasonable attorneys fees and legal expenses, paid or incurred by IMAX in endeavouring to collect or enforce the Liabilities or any part thereof and in enforcing this Guarantee, such payment and performance to be made or performed by Guarantor forthwith upon a default by Client.

This Guarantee shall be an absolute and unconditional guarantee and shall remain in full force and effect as to the undersigned during the Term of said Agreement, as "Term" is defined in the Agreement, and thereafter so long as any Liabilities from such time period remain due and payable. An assignment of said Agreement shall not release or relieve the undersigned from its liability pursuant to this Guarantee, unless Client has been released by IMAX.

IMAX may, from time to time, without notice to the undersigned resort to the undersigned for payment of any of the Liabilities. No such action or failure to act by IMAX shall affect the undersigned's liability pursuant to this Guarantee in any manner whatsoever. Any amount received by IMAX from whatsoever source and applied by IMAX toward the payment of the Liabilities shall be applied in such order of application as IMAX may from time to time elect.

The undersigned hereby expressly waives:

- (a) Notice of the acceptance of this Guarantee;
- (b) Notice of the existence, creation, amount, modification, amendment, alteration or extension of the Agreement or all or any of the Liabilities, whether or not such notice is required to be given to Client under the terms of the Agreement; and
- (c) Presentment, demand, notice of dishonour, protest and all other notices whatsoever.

No delay on the part of IMAX in the exercise of any right or remedy shall operate as a waiver thereof, and no final or partial exercise by IMAX of any right or remedy shall preclude other or further exercises thereof or the exercises of any other right or remedy.

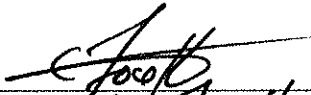
The validity of this Guarantee and the obligations of the undersigned hereunder shall not be terminated, affected or impaired by reason of any action which IMAX may take or fail to take against Client or by reason of any waiver of, or failure to enforce, any of the rights or remedies reserved to IMAX in the Agreement, or otherwise, or by reason of the bankruptcy or insolvency of Client and whether or not the term of the Agreement shall terminate by reason of said bankruptcy or insolvency.

This Guarantee shall be binding upon the undersigned, and upon its heirs, legal representatives, successors and assigns and shall be governed by the laws of the Province of Ontario and the undersigned

agrees to attorn to the exclusive jurisdiction of the courts of the Province of Ontario, Canada located in Toronto, Ontario.

IN WITNESS WHEREOF, the undersigned has executed this instrument as of this 27<sup>th</sup> day of August, 2015.

**ATAVUS GROUP LIMITED**

Per:   
Name: Carl Foulkes  
Title: Chief Executive Officer

Per: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

I/We have authority to bind the company.

