

## **Material provisions of the agreement (MPA)**

### **Definitions**

Wherever these MPA refer to:

- 1) Sponsor - it should be understood as an entity selected as a result of a tender for the titular sponsor of the sports and entertainment hall in Kraków;
- 2) Operator - it should be understood as the City Development Agency S.A.  
- hereinafter also referred to as the Party or the Parties
- 3) Arena - it should be understood as the sports and entertainment hall in Kraków located at 7 Stanisława Lema Street including, among others, the main arena, conference rooms, the small hall and the adjacent area with parking lots, passageways and greenery located on the properties to which the Operator holds a legal title;
- 4) Arena Name - it should be understood as the name given as a result of the tender for the titular sponsor of the sports and entertainment hall in Krakow;
- 5) Event - it should be understood as events that take place in the main arena of the Arena, excluding rehearsals, trainings, preparations, etc.

### **1. Subject matter of the Agreement and main representations by the Parties**

- 1.1. The subject matter of the agreement will be the performance by the Operator, in return for remuneration, of services aimed at promoting the Sponsor's brand, in particular by the Sponsor naming the Arena on the terms set forth in the agreement.
- 1.2. The subject matter of the agreement will be executed for a period specified in the agreement (not shorter than 3 years), starting from 30 January 2020 or any other date specified by the Parties. The Parties shall allow for the extension of this period. Any changes to the terms of the agreement, in particular when its term is extended, will be possible through negotiations. Any such amendments to the agreement will not materially change the provisions of the tender which resulted in the selection of the Sponsor. Amendments thus made will be equivalent or beneficial to the Operator.
- 1.3. The Parties declare to hold the legal titles to the subject matter of the benefits (the Operator - to the Arena and its image, the Sponsor - to the brand placed in the Arena Name and elements of the visual identification system, including the Arena logo) and are entitled to use them under the agreement. In the event of a claim by a third party against any of the Parties relating to the exercise of rights covered by the agreement, the other Party shall bear all costs arising therefrom. The Parties grant themselves appropriate licenses, including the right to grant sub-licenses to other entities in connection with the performance of the agreement (e.g. to Event Organizers to enable the use of the Arena Name and logo).
- 1.4. The agreement shall not apply to the Operator's activities not directly related to the Arena and Events.

### **2. Operator's Performance**

- 2.1. The Operator undertakes to provide the Sponsor with the benefits described in Appendix 1.
- 2.2. In the event of changing the Sponsor's name or the appearance of its logo, the Sponsor will be entitled to submit a request to change the Name and/or logo of the Arena and agree with the Operator on a new name and/or on a change in the terms and conditions of the visual identification. In such a case, the rebranding costs shall be borne by the Sponsor.
- 2.3. The Sponsor's resignation from any rights hereunder shall not affect the amount of remuneration due to the Operator.
- 2.4. The Sponsor's representatives shall be able to monitor the Operator's performance of the agreement (during Events - subject to prior notification of participation and accreditation).

### **3. Sponsor's Duties**

- 3.1. The Parties will agree in the agreement on the scope of responsibility for the execution, maintenance and dismantling of marking of the Arena with materials containing the logo or the Arena Name.
- 3.2. The Sponsor will develop a visual identification system for the Arena. The Arena logo will be agreed with the Operator.
- 3.3. The Sponsor will be obliged to comply with the current regulations, rules and guidelines in force in the Arena.
- 3.4. The Operator reserves that catering services are provided on the premises of the Arena on an exclusive basis. The use of catering services provided by a third party or the sale of specific products shall require prior arrangements with the Operator and the Sponsor to bear any potential costs of compensation for the benefit of the entity having exclusive rights.

### **4. Operator's Obligations and Suspension or Limitation of Sponsor's Rights**

- 4.1. The Operator shall be obliged to organize in the main Arena, within each of the consecutive annual periods of the term of the Agreement at least 20 days of Events of: a musical or artistic and entertainment nature.
- 4.2. After signing the agreement, the Operator will provide the Sponsor with the current schedule of planned Events. The Operator will update this schedule by notifying the Sponsor of any new or cancelled Events.
- 4.3. The Operator's services to the Sponsor may be limited or suspended during the term of the agreement to the extent of limitations resulting from agreements concluded with Event organizers, in particular in the event of the organization of sporting Events of a championship or cup rank. In the event of conditional consent of the Event's organizer to the performance of the services referred to in the above sentence, the Sponsor shall decide to fulfil the condition at its own expense. The Sponsor shall not demand that the Operator fulfils this condition, nor shall it demand replacement services in the event of a negative decision by the Organizer.
- 4.4. The Sponsor has the right to temporarily limit or suspend its contractual rights in connection with the organization of Events that will reasonably disrupt the communication of the Sponsor.
- 4.5. During the partial agreement limitation period referred to in clause 4.3, the Operator shall be entitled, and during the temporary agreement limitation period referred to in clause 4.4, obliged, to:
  - a) temporarily remove, cover or replace any external or internal markings on and around the Arena, containing the Arena Name, Sponsor's graphical marks or logos, except for the markings inside the Sponsor Box;
  - b) suspend the emission of promotional materials containing the Arena Name, Sponsor's graphical marks or logos (not applicable to those Events in relation to which activities were undertaken before the date of Sponsor's notification).
- 4.6. The circumstances specified in clauses 4.3 and 4.4 will not affect the amount of remuneration, and the Events referred to therein will be included in the limit specified in clause 4.1.
- 4.7. The Sponsor agrees to replace the services specified in the agreement with other equivalent services, if it is caused by circumstances beyond the Operator's control or results from the requirements of Event organizers. The Operator is obliged to inform the Sponsor of such replacement. The Parties shall stipulate the terms of settling such replacements.
- 4.8. The Operator shall provide the Sponsor with industry exclusivity with respect to the industries agreed with the Sponsor. This means that the Operator shall not perform promotional activities for the benefit of entities (other than the Sponsor) operating in these industries (to a material extent or having a material share in the given market). The foregoing does not apply to the Municipality of Krakow, its organizational units and companies participated in by the Municipality.
- 4.9. In the case of a potential violation of the industry exclusivity during the organization of the Event, the Operator will request the Sponsor from time to time for a consent to the waiver of such a prohibition.
- 4.10. The promotional activity referred to in section 4.8 does not include the rental of conference rooms, Small Hall boxes and the organization of fairs.

- 4.11. Promotional activity performed by the event organizer to entities from the industry indicated in the agreement and in the case of sports events – towards sponsors of federations, team, sports associations and players, shall not be considered as the violation of industry exclusivity.

### **5. Contractual penalties**

- 5.1. The sum of contractual penalties calculated by one of the Parties to the other Party under the agreement shall not exceed 10% of the net remuneration for the entire period of performance of the agreement.
- 5.2. Each Party shall be able to claim from the other Party additional compensation on general terms provided for in the Civil Code.

### **6. Termination of the agreement**

- 6.1. The Operator may terminate the agreement in whole or in part in the event of a material breach by the Sponsor of the agreement consisting in:
- a) exposing the Operator to third party claims due to the Sponsor's culpable action on account of copyright infringement;
  - b) the Sponsor's actions exposing the Operator to the risk of losing its good name, reputation or other personal rights.
- 6.2. The Sponsor may terminate the agreement in whole or in part in the event of a material breach by the Operator of the agreement consisting in:
- a) non-performance of sponsoring benefits;
  - b) exposing the Sponsor to third party claims due to the Operator's culpable actions on account of copyright or personal rights infringement;
  - c) Operator's actions exposing the Sponsor to the risk of losing its good name, reputation or other personal rights, including in the event of final judicial ascertaining of corruption on the Operator's part.

### **7. Miscellaneous provisions**

- 7.1. Communication between the Parties shall take place in electronic form, subject to clause 7.2.
- 7.2. Unless otherwise stipulated in the agreement, amendments, additions or withdrawals from the agreement shall be made in writing under pain of nullity.
- 7.3. The agreement shall be governed by Polish law.
- 7.4. An integral part of the MPA is the Appendix - Description of benefits due to the Sponsor.