

TITLE I: FORM AND PURPOSE

Article 1: Form

An Association governed by the Act of 1 July 1901 and the Decree of 16 August 1901 is founded between the adherents to this Memorandum and Articles of Association. Creation date: 12 February 1991 in Paris.

Article 2 : Title

The Association is called "EUROPA CINEMAS".

Article 3: Registered office

The registered office is set at 54, rue Beaubourg, 75003 Paris.
It may be transferred by an ordinary decision from the Board of Directors.

Article 4: Purpose

1 – The purpose of this Association is to encourage the promotion, distribution and screening of films or audiovisual productions from European countries or countries which are partners with Europe and, more generally, to implement any initiatives which shall enable them to be more widely shown in cinemas. One of the Association's objectives shall be to bring companies operating in this sector together and their collaboration through concerted initiatives or international networks.

In respect of the initiatives which may be implemented by the Association, the following may be chosen, without this list being exhaustive:

- Managing support funds for the distribution in cinemas of films produced in Europe or in partner countries according to guidelines and criteria established to this end.
- Establishing and publishing studies or materials destined to provide film-goers and professionals with better information.
- Organising or participating in events to promote films such as festivals, retrospectives and tributes.
- Organising or participating in colloquiums, conferences or workshops attended by professionals.
- Supporting new techniques facilitating the circulation of films and their presentation to the general public.

2. The implementation of the Association's objectives may be subject to action plans for which the Board of Directors shall set the guidelines and technical terms and conditions.

3. As a priority (but not exclusively) the Association's work covers all European countries and countries which are partners with Europe, pursuant to concerted initiatives between several territories or carried out with the collaboration of one or several of them. The Association shall endeavour to benefit from national and international resources in order to implement and develop its initiatives.

4. In order to achieve its objectives, the Association may extend its work to include any country, institution or professional organisation outside Europe or the countries involved pursuant to partnerships enabling the circulation of works and professionals and the strengthening of dialogue between different cultures.

5. The Association shall take account of national specificities and multilingualism and the different dissemination methods. It shall ensure that its initiatives are implemented in a harmonious manner with national, European and international institutions, and with all the professionals involved. Pursuant to this, it may become a member of other associations.

Article 5: General interest

1. The aims of the Association are exclusively and directly in the general interest. The Association's funds, including subsidies, may only be used within the spirit of the Association's objectives.

2. In their capacity as members, individuals sitting on the Association's bodies do not receive any dividend, nor any other form of allocation, originating from the Association's funds.

TITLE II: COMPOSITION

Article 6: Terms and conditions for membership and admission

1. Individuals and legal entities may become members of the Association, for example: operators, distributors, producers, exporters, screenwriters, directors, technicians, representatives of film-promotion organisations, of professional associations, of federations, of unions, of consortiums, of film markets, of festivals, of foundations, of national or international institutions and any and all other persons who ask to be involved in the Association's work. Should it see fit, the Association may accept non-European nationality members.

2. Admission applications shall be sent by letter to the Chairman of the Board of Directors at least one month prior to its meeting. After examination, the Board of Directors decides to either accept or refuse this admission. The applicant is informed of the decision in writing.

3. Membership takes effect on the date when the written agreement is sent by the Board of Directors to the applicant.

Article 7: Expiry of membership

1. Membership expires:

- on the death of the individual member.
- when legal entities discontinue their business activity.
- by voluntary resignation.
- by exclusion from the Association.

2. Resignation is subject to written notice to the Board of Directors, with three months' notice prior to the end of the then-current calendar year. Exclusion may only be decided on justified grounds, in particular, should a member fail to comply with the Association's Memorandum and Articles of Association or with the resolutions and provisions adopted by its bodies. The Board of Directors decides on the exclusion. The member in question shall be informed of the exclusion decision in writing and it takes effect on the date when the notice is sent by the Board of Directors.

Article 8: Members

1. The Association is composed of:

- a) Active members
- b) Honorary members

2. If the member is a legal entity, the rights are exercised by its legal representative or by a duly-authorised third party.

3. Each member is authorised to be involved in the Association's statements of principle by exercising his/her/its rights to introduce motions, of discussion and voting rights at General Assembly Meetings, in accordance with legislation and with this Memorandum and Articles of Association. Each member has one vote and may assign it in writing to another member, who/which may not hold more than two proxies.

Article 9: Subscriptions

1. Should it see fit, the Board of Directors may request the members of the Association to pay a subscription every year. Honorary members do not pay subscriptions.

2. Any subscriptions are payable two months after the membership-start date at the latest, and, subsequently, every year on 30 April. Failure to pay the subscriptions within the deadlines laid down may lead to exclusion from the Association.

3. In order to vote, members shall be up-to-date with payable subscriptions.

Article 10: The Association's bodies

1. The Association's bodies are the General Assembly, the Board of Directors and the Executive Committee.

2. The Association's various bodies may invite members of the Commission of the European Communities or of other European organisations and members of national or international institutions to participate in their meetings.

3. EXPERTS' COMMITTEE

In particular, the Association may form Experts' Committees responsible for assessing the initiatives of beneficiaries and cinemas' scheduling.

4. SPONSORSHIP COMMITTEE

The Board of Directors may set up a Sponsorship Committee composed of European directors. This Sponsorship Committee may approve, provide advice and support the Association's work and undertakes to increase its influence in the professional environment and in the press and media. These directors shall also be requested to be involved alongside operators at exceptional events which take place in cinemas.

TITLE III: GENERAL ASSEMBLY

Article 11: General Assembly's responsibilities

1. The following tasks are entrusted to the General Assembly:

- Receiving and approving the Board of Directors' management report and the accounting balance sheet, in written form; ratifying the discharge of the Board of Directors' duties.
- Voting on the budget.
- Appointing the renewable third of members of the Board of Directors.
- Discussions and resolutions on any other business on the agenda.

2. General Assembly Meetings have quorum if at least one fifth of members are present and represented by proxy. General Assembly Meetings are chaired by the Association's Chairman or Vice-Chairman. Voting is by a show of hands or by secret ballot or by any and all other procedure which complies with the legislation applicable to associations. Votes concerning persons are by secret ballot. Resolutions are adopted by absolute majority. Spoilt ballot papers and abstentions are not taken into account. Should the required quorum not be achieved, the Chairman may convene a second General Assembly Meeting within fifteen days at which no quorum shall be required.

3. The deliberations and resolutions of the General Assembly are subject to minutes which shall be signed by the Chairman of the Meeting.

Article 12: Ordinary General Assembly Meeting

1. The Ordinary General Assembly Meeting is held at least once a year.

2. It shall be convened by the Chairman of the Board of Directors at least two weeks in advance, in writing, with the agenda and meeting place being specified. The convening notice shall be sent to the last address which each member notified to the Association. The agenda is set by the Board of Directors. Only business appearing on the agenda shall be addressed by the Meeting. Exceptionally, the Meeting's Board (*Bureau*) may add one or more points to the agenda at the start of the Meeting.

3. Motions put forward by members shall be set forth in writing, with a brief justification, and be received by the Meeting's Board at least seven days prior to the General Assembly Meeting. The Meeting's Board decides whether or not to add the motions received by it within the lead-time provided for to the agenda. It shall add any motion supported by at least a third of the Association's members to the agenda.

Article 13: Extraordinary General Assembly Meeting

1. The Chairman of the Board of Directors convenes an Extraordinary General Assembly Meeting if such is dictated in the interests of the Association or if two-fifths of all members or the Managing Director make a written request in this respect to the Board of Directors, specifying the reasons and the aims of such a Meeting.

2. The General Assembly Meeting duly requested by this minority of members shall be convened four weeks at the latest following receipt of the request by the Board of Directors. All the Association's members shall receive a written convening notice, together with the agenda, at least two weeks prior to the Meeting date.

3. Resolutions concerning changes to the Memorandum and Articles of Association and the voluntary dissolution of the Association are adopted at an Extraordinary General Assembly Meeting convened specifically for this purpose by the Chairman. The majority of members of the Association shall be present or represented. Resolutions shall be adopted by a majority of two thirds of members present or voting by proxy in proper and due form.

4. As regards the Association's dissolution, if quorum is not achieved in accordance with point 3, a new General Assembly Meeting with the same agenda shall be convened within four weeks as from the date of the previous Assembly Meeting. This new Assembly Meeting may only be held two months, at the earliest, and four months, as the latest, following the previous Assembly Meeting. The convening notice for this new Assembly Meeting shall mention the terms and conditions for resolutions. Regardless of the number of members present, the General Assembly Meeting shall have quorum ; with voting being at a two-thirds' majority.

5. Moreover, the provisions concerning Ordinary General Assembly Meetings are also applicable to Extraordinary General Assembly Meetings .

TITLE IV: BOARD OF DIRECTORS

Article 14: Duties and appointment of the Board of Directors

1. The Board of Directors decides on the Association's policy. It meets at least twice a year.

2. Members of the Board of Directors are appointed for a three-year renewable term of office as from the date when they are appointed by the General Assembly Meeting. Each year, the General Assembly Meeting renews it by appointing a third of the members of the Board of Directors. For the first two years, the outgoing third is decided upon by a draw at the last Board of Directors meeting preceding the General Assembly Meeting. The Board of Directors has at least seven, and a maximum of twenty, members. Besides the Chairman, there shall be a maximum of three members of the Board of Directors with the same nationality. Applications shall be sent in writing to the Chairman at least one month prior to the General Assembly Meeting. Appointments are made by secret ballot, with a single-round majority vote, by a majority of those present or represented.

3. The Board of Directors appoints its Chairman from amongst its members, one or two Vice-Chairmen, a General Secretary and a Treasurer. The Managing Director has a consultative role on the Board of Directors. The representatives of the supervisory

organisations and external persons, who are expressly invited by the Board of Directors, may also have a consultative role.

4. Decisions of the Board of Directors are made by any means in accordance with legislation by the majority of members present or represented. In the event of a hung vote, the Chairman shall have the casting vote.

5. The Chairman represents the Association for all civil matters. When instituting or defending proceedings, he may only act with the Board's authorisation, unless there is an emergency. The Chairman may grant written delegations of authority either to the Managing Director, or to members of the Executive Committee, or to other members of the Board of Directors. However, when he is representing the Association at legal proceedings, no delegation shall be allowed except to the Vice-Chairman.

Article 15: By-Laws

The Board of Directors draws up By-Laws. The purpose of these By-Laws is to set forth the guidelines and technical terms and conditions enabling the Association's objectives to be achieved.

TITLE V : EXECUTIVE COMMITTEE

Article 16:

1. The Executive Committee is appointed by the Board of Directors and may be composed of seven members, at least five of whom shall be members of the Board of Directors. The sixth member shall be the Managing Director who shall be responsible for its coordination and the seventh may be a member of the Sponsorship Committee or an external member chosen by the Committee. Besides the Managing Director, there shall be a maximum of two members of the Executive Committee with the same nationality.

2. The Executive Committee is responsible for steering the Association's policy as determined by the Board of Directors. It may also be empowered by the Board of Directors to carry out all the work for which it is not expressly responsible.

3. Quorum for Executive Committee meetings is achieved when at least three of its members are present, at least two of whom are members of the Board of Directors, when all the members have been invited to attend in accordance with the By-Laws. Invitations to members are sent in writing by letter, telegram or fax, at the initiative of the Chairman, the Managing Director or at least two of its members.

4. The Executive Committee makes its decisions by a majority of present or represented members. In the event of a hung vote, the Chairman shall have the casting vote.

TITLE VI: STAFF, RESOURCES AND MEANS

Article 17:

The Association may hire salaried staff, in particular, a Managing Director who shall be appointed by the Chairman after consultation with the Board of Directors. Under a contract, the Managing Director may be entrusted with a comprehensive delegation of authority concerning the Association's functioning and its external representation.

Article 18:

The Association's resources are composed of:

- subscriptions from members and cinemas.
- receipts received from the Association's activities.
- public or private subsidies which it may receive.
- donations and legacies which may be made/bequeathed to it.

Article 19:

Accounts shall be kept in accordance with the effective chart of accounts. They shall be audited by an auditor appointed by the General Assembly.

Article 20: French version

Only the French version of the Association's Memorandum and Articles of Association shall be deemed authentic. In addition, effective French legislation remains applicable.