

STRATEGIC PARTNERSHIP AGREEMENT

between the Municipality of Česká Kamenice and Hello Wood Zrt.

This Strategic Partnership Agreement ("Agreement") is entered into on this day, **April 22, 2025**, by and between:

The Municipality of Česká Kamenice, a legal entity governed by public law, having its registered office at náměstí Míru 219, 407 21 Česká Kamenice, represented by Jan Papajanovský, Mayor, hereinafter referred to as the "**Municipality**",

and

Hello Wood Zrt., a private company limited by shares incorporated under the laws of Hungary, having its registered office at 1082 Budapest, Kisfaludy u. 19. 3/9., Postal address: 1033 Budapest, Fő tér 1., registered with the Hungarian Company Registry under number: 01-10-140966 in the registry of the Budapest Capital Regional Court, EU VAT Nr.: HU28749990, represented by András Huszár, CEO, hereinafter referred to as the "**Partner**",

jointly referred to as the "**Parties**", and each individually as a "**Party**".

Article 1 – Background

- 1.1 The Parties have engaged in discussions regarding a strategic partnership to support the development of cultural, educational, and tourism-oriented projects in Česká Kamenice.
- 1.2 These discussions included an in-person meeting held in Česká Kamenice on **February 20, 2025**, as well as follow-up online meetings on **March 4** and **March 12, 2025**.
- 1.3 Both Parties expressed a shared vision and intention to establish a long-term cooperation that benefits both the local community and the broader creative and tourism sector.
- 1.4 The **primary objective** of the collaboration outlined in this Agreement is to ensure the **successful and distinctive realization of the unique projects of both the Municipality and the Partner** in the future.

Article 2 – Purpose of the Agreement

2.1 The purpose of this Agreement is to establish a long-term strategic partnership between the Municipality and the Partner with the objective of:

- a. Organizing a yearly international **Architectural Summer School** from 2025 to 2027 on the territory of Česká Kamenice.

- b. Developing a **Cabin Resort Accommodation** on the designated municipal land starting in 2026.
- c. Supporting the cultural and tourism development of Česká Kamenice through site-specific interventions, creative installations, and architectural activities.

Article 3 – Obligations of the Partner

The Partner hereby undertakes the following obligations:

3.1 Architectural Summer School

- a. Organize an annual international Architectural Summer School in 2025, 2026, and 2027, with approximately 100 students per year from Czech and international architecture programs, provided that the support of the city remains in place and the program can continue to be financed through sponsorship.
- b. Involve internationally recognized designers.
- c. Foster engagement with the local community and the site.

3.2 Cabin Resort Development

- a. Construct **at least five (5) cabins** in 2025.
- b. Continue development with additional cabins and creative installations in 2026 and 2027.
- c. Invest approximately **EUR 600,000** over three years. This amount refers to the total value of the investment, which includes the costs of setting up the camp and the value of the cabin resort to be established.

3.3 Cultural and Economic Impact

- a. Support the Kamenice Festival and related cultural initiatives by informing the participants of Cabin Fever and the audience of Hello Wood, as well as by organizing joint online promotional campaigns in the future.
 - b. Reflect regional industrial heritage in the resort's design and concept.
 - c. Allocate **EUR 15,000 per year** to communications and marketing.
 - d. Create up to three (3) full-time jobs, depending on the actual needs related to the operation of the cabin resort.
 - e. Use local suppliers and services in connection with the operation of the resort.
 - f. Generate local tax revenues and contribute to regional tourism through the operation of the accommodation and the related media and promotional campaigns.
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- g. Bring approximately **3,000 visitors annually** to the region.

- h. Provide **four (4)** complimentary overnight stays to the Municipality per year.

Article 4 – Obligations of the Municipality

The Municipality agrees to:

4.1 Land and Property

- a. Lease designated municipal land (cadastral territory Kamenická Nová Víska — parcels no. 355/3, 355/1, and 357 starting in 2025; parcels no. 68, 153, 154, 355/5, and 355/7 starting in 2026) to the Partner for **25 years**.
- b. The **preemptive right to purchase** shall be irrevocably granted in the event that the land is offered for sale, and this right shall also extend to the buildings situated on the properties designated as (cadastral territory Kamenická Nová Víska parcel) no. 68, 153, 154, and 355/5.
- c. Facilitate the **sale of additional municipal land**, if necessary.

4.2 Infrastructure and Legal Support

- a. **Provide full utility infrastructure** (water, electricity) to the project site by the end of 2026. The electricity supply shall be established to the necessary and sufficient extent required for the Partner's operations, but with a minimum capacity of 3x80 amperes. Until such capacity is made fully available, the Municipality shall ensure the provision of temporary electricity supply sufficient to support the Partner's basic operational needs, starting from September 2025.
- b. Initiate amendments to local **zoning/building codes** to enable hospitality use, ensuring that no restrictions shall apply to the construction materials or architectural appearance of buildings erected by the Partner.
- c. Ensure that the **bridge** located adjacent to parcel no. 357 shall be freely accessible and available for use by the Partner, the Partner's incoming business associates, and guests arriving as part of the Partner's hospitality-related activities.
- d. The Municipality agrees to be responsible for the clearing and preparation of the subject land (4.1.a) including all necessary cleaning and earthworks.
- e. Provide the Partner with adequate and complete information on the legal background of the Agreement and the Partner's obligations, even in the absence of a specific request by the Partner. The Partner shall be solely responsible for ensuring full compliance with the governing law.

4.3 Community Integration and Promotion

- a. Connect the Partner with local stakeholders, sponsors, and service providers.
- b. Support workforce recruitment and subcontractor identification.
- c. Cooperate in media and public communications efforts.

4.4 Land Valuation

- a. The Municipality shall determine and provide a detailed price assessment for each relevant plot of land, including but not limited to plots (cadastral territory Kamenická Nová Víska parcel) no. 68, 153, 154, 355/3, 355/5, 355/7, 355/1, and 357.
- b. The valuation shall include, for each parcel:
 - the price per square meter, set at **4 EUR/m²**, and
 - the total purchase price (in EUR), calculated on the basis of the parcel's total land area.
- c. The price of 4 EUR/m² referred to in point b. shall apply exclusively to the land and shall not cover the value of any buildings located on the respective parcels.
- d. The valuation shall be annexed to this Agreement as an official pricing schedule and shall serve as the binding basis for any future sale of the land to the Partner, unless otherwise agreed in writing by both Parties.
- e. The Municipality agrees to lease the designated plots to the Partner for a period of twenty-five (25) years, at an annual rent of **EUR 1/parcel**, subject to the terms and conditions set forth in the lease agreement.

Article 5 – Confidentiality

5.1 Each Party shall treat all information exchanged in connection with this Agreement as strictly confidential whether the disclosing Party signaled the information as confidential or not.

5.2 Confidential information may not be disclosed to any third party without prior written consent, unless required by law.

5.3 The confidentiality obligations remain in force for **five (5) years** after the Agreement's termination.

Article 6 – Term and Renewal

6.1 This Agreement shall remain in effect from the date of signature until **December 31, 2027**.

6.2 The Agreement may be extended by mutual written consent of the Parties.

Article 7 – Termination

7.1 Immediate Termination

Either Party may terminate this Agreement with immediate effect upon written notice in the event of:

- a. Material breach not remedied within **30 days** of written notice.
- b. Insolvency, liquidation, or bankruptcy of the other Party.
- c. Change of ownership materially affecting the Agreement's viability or reputation.
- d. Repeated breach of confidentiality obligations.

7.2 Termination by Municipality

The Municipality may terminate if:

- a. The Partner fails to organize the Architectural Summer School without sufficient cause.
- b. The Partner fails to make reasonable progress in development or investment activities by the end of 2026 and does not provide an acceptable corrective plan within **30 days** upon written notice.

7.3 Termination by Partner

The Partner may terminate if:

- a. The Municipality fails to deliver utility infrastructure by **the end of 2026**, with a **60-day grace period**.
- b. Zoning changes are not implemented within a reasonable time.
- c. The Municipality fails to provide land use rights as agreed.
- d. The Municipality fails to provide or provides wrongful information on the legal background of the Agreement and Partner's obligations as stated in Clause 4.2.e, and Partner suffers damage as a result.
- e. The Parties fail to conclude the lease agreement as stated in Clause 10.1 by October 1, 2025.

7.4 Force Majeure

Either Party may suspend or terminate the Agreement due to force majeure events (natural disasters, war, political instability, etc.) that make performance impossible or unreasonably burdensome. The affected Party must notify the other Party in writing and seek a resolution within 30 days.

7.5 Consequences of Termination

Upon termination:

- a. All confidential materials must be returned or destroyed depending on the disclosing Party's request.
- b. Promotional items and property of the other Party must be returned.
- c. The Partner may be required to restore the site if termination is due to its default. d. Any financial obligations incurred before termination remain enforceable.
- d. No compensation for lost profits or unrealized future activities is owed unless otherwise agreed in writing.

Article 8 – Governing Law and Dispute Resolution

8.1 This Agreement is governed by the laws of the **Czech Republic**.

8.2 Disputes shall be resolved amicably. If unresolved within **30 days**, the matter shall be submitted to the **competent court of the Czech Republic**, based on the Municipality's registered office.

Article 9 – Data Privacy

9.1 The Parties acknowledge that the personal data provided to them by each other's contact persons in the course of the Agreement will be processed by them as independent data controllers in accordance with the applicable laws, on the basis of their legitimate interest in the performance of the Agreement, pursuant to Article 6 section (1) point f) of the GDPR.

Article 10 – Final Provisions

10.1 This Agreement contains the entire understanding between the Parties and supersedes all prior agreements. The Parties stipulate to make provision in a separate agreement for the details of the property lease as stated in Clause 4.1.a.

10.2 Amendments shall only be valid if made in writing and signed by both Parties.

10.3 This Agreement is executed in two counterparts, each of which shall be deemed an original.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date set forth below:

For the Municipality of Česká Kamenice

Name: JAN PAPAANDISU

Title: MAYOR

Date: 22. 4. 2025

Signature: _____

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Město Česká Kamenice

For Hello Wood Zrt.

Name: ANDRÁS HUSZÁR

Title: CEO

Date: 22. 4. 2025

Signature: _____

