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**Agreement**

**BETWEEN**

**FOX WEST COAST THEATRES CORPORATION**

**AND**

**CULLEN ESPY**

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**DATED AS OF JANUARY 1, 1945**

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AGREEMENT made as of January 1, 1945, between FOX WEST COAST THEATRES CORPORATION, a Delaware corporation (hereinafter referred to as the "Company"), and CULLEN ESPY of the City of Los Angeles, State of California (hereinafter referred to as "Espy").

WHEREAS, the Company is engaged principally in the business of owning, leasing, and operating motion picture theatres and related properties and enterprises and in the holding of stock in companies engaged in such business, primarily in the State of California, and

WHEREAS, Espy has heretofore performed services of an executive character for the Company and its subsidiaries and is skilled and experienced in the affairs of the Company and its subsidiaries; and the Company for the period and upon the terms hereinafter provided desires to obtain and be assured of the services of Espy for itself and its subsidiaries;

NOW, THEREFORE, in consideration of the premises and of the covenants, agreements, representations and warranties hereinafter set forth, the parties do hereby mutually covenant as follows:

FIRST: The Company hereby employs Espy as head of its film buying department for the period from January 1, 1945 to the close of business on December 31, 1949. Espy hereby accepts such employment upon the terms and conditions of this Agreement and during the term thereof agrees to perform the services herein contemplated to be performed by him faithfully, diligently and to the best of his ability. Espy is to devote his entire time (except for a reasonable annual vacation) to such employment.

Espy represents and warrants that at the date of this Agreement he has no direct or indirect financial or other interest of any kind or character in any theatre or theatri-

cal or motion picture business or related enterprise, and further has no direct or indirect contractual or other relationships or arrangements of any nature whatsoever for or requiring his services in the supervision, management, or operation of any theatres or theatrical or motion picture business or related enterprises. Espy agrees that during the term of this Agreement he will not directly or indirectly become interested financially or otherwise in theatre or theatrical or motion picture business or related enterprises but this shall not prevent Espy from trading in stocks and other securities listed or regularly traded on the New York Stock Exchange or the New York Curb Exchange.

SECOND: Espy shall render and perform such film buying and other services as may from time to time be assigned to him by the Board of Directors of the Company or the boards of directors of any subsidiary of the Company or by any person or persons designated for that purpose by the Board of Directors of the Company or any subsidiary. In the performance of his duties, Espy shall act only with such powers and in such capacity as the respective boards of directors of the Company or subsidiary as the case may be, may determine, and he shall be subject at all times and in all respects to the direction and control of the respective boards of directors of the Company or such subsidiary, to all provisions of the respective by-laws and certificates of incorporation of the Company or such subsidiary, and to all resolutions and regulations adopted by the respective boards of directors of the Company or such subsidiary.

THIRD: For his services hereunder, the Company shall pay Espy and Espy shall accept as full compensation for his services during the term of this Agreement, a weekly salary payable on any day of the next succeeding week, as follows:

1. For the period beginning with January 1, 1945 and ending December 29, 1945, the sum of \$650 per week.

2. For the period beginning December 30, 1945 and ending December 28, 1946, the sum of \$700 per week.

3. For the period beginning December 29, 1946 and ending December 31, 1949, the sum of \$750 per week.

All services performed by Espy in any capacity for the Company or any subsidiary or affiliate shall be rendered without any further salary or compensation other than that above specified.

FOURTH: In the event that Espy becomes substantially incapacitated, the Company may, at its option, at any time thereafter, terminate this Agreement by giving not less than ten days' notice in writing of such termination. If during the period of this Agreement Espy shall die, this Agreement shall be deemed forthwith terminated.

FIFTH: Espy hereby represents and warrants that he has no other employment arrangements or agreements, written or oral, with the Company or any subsidiary, and also has no claims of any kind or character against the Company or any subsidiary of the Company on account of any matter or thing arising or existing prior to the date of the execution of this Agreement, and Espy agrees that all such claims, if any, are satisfied, released and discharged by the execution and delivery of this Agreement.

SIXTH: The obligations and duties of Espy hereunder shall be personal and shall not be assignable or delegable in any manner whatsoever. The Company may, however, at any time or from time to time, assign any or all of its rights hereunder to all or any part of the services of Espy

to any corporation or other entity affiliated or associated with the Company. Any rights so assigned may be re-assigned at any time to the Company or to any associated company. Notwithstanding any such assignment, the Company shall remain unconditionally liable as principal obligor for all obligations to be performed by it hereunder to the extent that the same are not fully and finally performed by any such assignee. In addition to Espy's continuing obligation to the Company, he shall become obligated to such assignee for performance of his duties and obligations hereunder to the extent that the rights of the Company with respect thereto are so assigned, but no such assignee shall be obligated for any salary or other amounts payable to Espy hereunder or for the performance of any of the covenants or conditions of this agreement except only when agreed upon and to the extent agreed upon from time to time in writing between the Company and such assignee.

SEVENTH: The payment of the compensation specified in paragraph THIRD hereof is subject to the approval of the Wage Stabilization Division of the Treasury Department of the United States Government, and the parties hereto recognize that pending such approval, payment cannot be made to Espy in excess of his present rate of compensation. The Company agrees forthwith diligently to seek all necessary approval.

EIGHTH: This Agreement, having been delivered in the State of California, shall be deemed to be a California contract and shall be interpreted in accordance with the laws of the State of California, and performance hereunder shall be governed by the laws of the State of California the same as if this Agreement were to be fully performed in said State, and this Agreement shall be enforced accordingly.

IN WITNESS WHEREOF, the parties hereto have signed and sealed this Agreement as of the day and year first above written, but actually this .. day of .., 1945.

FOX WEST COAST THEATRES CORPORATION

By .....

[CORPORATE SEAL]

Attest: .....

..... (L. S.)

Cullen Espy

