

GENERAL TERMS AND CONDITIONS OF THE PRODUCTION FACTORY BV, WITH ITS REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS IN ARNHEM, DELTA NO. 46.

Clause 1. Applicability.

1. All offers, agreements as well as the performance thereof are subject to the following conditions with the exclusion of any conditions of customers and/or clients.
2. These Conditions are applicable to all our following business activities:
 - turnkey offer in the market of podiums, decors, backline, sound and light installations, including hiring out the respective equipment and materials themselves as well as hiring out this equipment together with providing our staff for support, supervision etc.;
 - performance and preparation of technical matters in connection with events and presentations.
3. References to general terms and conditions in the correspondence on the part of the client or customer applied by the client or the customer do not concern us and cannot lead to full or partial applicability of those terms and conditions.
4. Stipulations deviating from these General Terms and Conditions will only be binding on us if and insofar as they have been explicitly confirmed by us in writing.

Clause 2. Offers.

1. All our offers are without commitment.
2. All details, specifications etc. provided with our offers have been composed as accurately as possible.
3. We base our offers on the goods and services which are customary to us. Any deviation from this and special requirements must be notified to us in writing and in advance. The offer will mention explicitly whether and to what extent these deviations and special requirements are taken into account.

Clause 3. Drawings and dimensions.

1. Drawings, designs, models, schedules etc. remain our property and without our written consent are not allowed, either fully or partly, to be copied, imitated or handed over or made available for inspection to any third parties. Unless explicitly otherwise indicated by us, they are, as with dimensions and weights, completely without commitment.
2. We are not obliged to provide the Counterparty or third parties with any detailed and/or structural drawings.

Clause 4. Indemnification.

1. In the event of manufacturing according to drawings, models or other instructions in the broadest sense of the word received from the client, the latter will take full responsibility that the manufacturing and/or delivery of the respective product does not affect any trademark right, patent or similar right of third parties.
2. If third parties object, on the basis of any alleged right, to the production and/or delivery of the respective product/installation, we will be immediately entitled to discontinue the production and/or delivery, to notify the client of this and to demand reimbursement for the costs incurred together with compensation, without our being obliged to pay any compensation to the client and/or third parties.
3. The client will indemnify us against any claims on us from third parties.

Clause 5. Agreement.

1. Subject to the provisions set out below, an agreement will only be formed when we have accepted an assignment or confirmed this in writing.
2. Any further arrangements and/or agreed changes made subsequently will only be binding on us if we have confirmed them in writing.
3. For deliveries and services for which according to their nature and/or extent no quotation or order confirmation has been sent, the invoice will also be considered as an order confirmation, which is also deemed to represent the agreement accurately and completely.
4. Each agreement will be entered into under the suspensory condition that the Counterparty appears, exclusively at our discretion, to be sufficiently creditworthy with regard to the financial fulfilment of the agreement. If necessary, we can demand that the Counterparty provides security with regard to the fulfilment of his obligations arising from this agreement.
5. We can demand from the Counterparty that, before we decide to fulfil the agreement, an advance payment is to be made.
6. We are entitled, if we deem this desirable and/or necessary, to engage third parties for the performance of the agreement. The associated costs will be passed on to the Counterparty according to the price quotations given.

Clause 6. Prices.

1. Every price quotation is without commitment unless the contrary has been agreed in writing.
2. Unless otherwise indicated, our price quotations are exclusive of V.A.T.
3. In the event that price rises of any importance have occurred between the moment at which the agreement has been formed and its performance, which price rises were not foreseeable in advance (such as a rise in labour costs, public charges, transport costs, insurance premiums and costs of materials) we will be entitled to pass on these price rises to the Counterparty.

Clause 7. Letting out.

1. The term 'Counterparty' in these General Terms and Conditions means 'the Hirer'.
2. In this Clause the term 'Hirer' means: a person or legal entity hiring from us materials or materials together with support staff for a specific period.
3. The term 'materials' means equipment in the area of audio and lighting technology, musical instruments as well as associated accessories, wiring, packaging materials etc. as well as decors and (parts in the broadest sense of) podiums.
4. The Hirer must treat the hired materials with due care and use them according to the assumed known requirements and in any event, if present, according to the operating instructions handed over to the Hirer upon delivery of the materials. The Hirer must in any event ensure that the materials provided by us are exclusively used for the purpose for which the materials are intended, no adjustments are made to these materials, and, when our staff members are also hired, to act according to the instructions given by our staff members.
5. The Hirer is obliged to reject claims by third parties on the hired goods and to indemnify us against this.
6. The Counterparty shall provide us at all times with access to buildings and premises where the material is situated or has been installed in order to examine the condition of the materials.
7. In the event of theft, loss or damage of materials, the Counterparty must notify us of this immediately. In the event of theft or damage due to an act of war, the Hirer must also immediately report this to the police in the locality where the theft took place or where the damage due to the act of war has been inflicted and provide Production Factory bv with a copy of the respective police report.

8. The Hirer shall not hire out the materials or give them on loan to any third parties.
9. The materials are hired out for a period of at least one day. The hire period commences at the moment the materials leave our warehouse and terminates on the day the materials return again into our warehouse, unless otherwise agreed.
10. Unless otherwise agreed in writing the materials are transported at the expense and risk of the Hirer in packaging provided by us.
11. In the event of hiring out materials, the Hirer must make sure that the materials are delivered to him in a proper condition. We assume that the Hirer is familiar with the operation of the materials and that the materials ordered by the Hirer serve the purpose for which the material is hired. Unless otherwise agreed, the Hirer must ensure that the materials are collected from our warehouse and are returned there not later than on the day that the agreed hire term terminates. By the mere fact of non-delivery on that date for any reason whatsoever or in the event of damage to the materials the Hirer will be in default without any demand or notice of default being required. In that case, notwithstanding his other obligations to us, the Hirer will owe us compensation equal to the hire price he would have had to pay for the number of days by which the agreed hire term has been exceeded, or the number of days required for the repair of the damage, increased by 50%. The Hirer cannot derive any rights from this provision to extend the hire term agreed in advance.
12. Unless otherwise agreed the agreed hire price must be paid in cash before or on commencement of the hire term. We are entitled to demand a deposit from the Hirer and we reserve the right to offset the hire instalments fallen due against the deposit, as well as the repair and/or cleaning costs of the hired materials.
13. The Hirer is at all times obliged to take out insurance against damage and/or physical injury to third parties and to materials and staff members hired from us, caused directly and/or indirectly by us or by the hired out materials and/or staff members.
14. The Hirer is obliged to arrange for all local licenses and/or construction provisions. The Production Factory by will at all times be indemnified by the Hirer against all losses in the broadest sense of the word resulting from faulty or improper constructions if the local provisions are taken into account and regardless of whether our personnel or third parties carried out the installation.

Clause 8. Force majeure.

1. In the event of force majeure we will be entitled to suspend, without any judicial intervention, the performance of the agreement or to consider the agreement as wholly or partly dissolved, without our being obliged to pay any compensation for this.
2. The term force majeure herein means: any circumstance by which fulfilment of the agreement cannot reasonably be required from us by the Counterparty. Force majeure includes in any event: war, threat of war, riot, flooding, water damage, act of war, fire, sit-down strike, work strike, excessive absenteeism due to illness of our personnel, transport problems, unforeseen technical complications, interruptions in our operations or at our suppliers, breach of contract by our suppliers as well as government measures, including in any event import and export prohibitions and quota restrictions.
3. If on commencement of a force majeure situation we have already partly fulfilled the obligations arising from the agreement, we will be entitled to invoice separately the performance already carried out and the Counterparty will be obliged to pay this invoice as if it concerns a separate transaction.

Clause 9. Warranty and liability.

1. We undertake to the client to carry out the activities to the best of our abilities. We cannot guarantee a result, unless this has been agreed in writing.
2. Our liability is excluded for materials and/or constructions provided or prescribed to us by the client and is also excluded for defects resulting from any government regulation with regard to the quality of the applied materials and with regard to manufacturing.

3. Notwithstanding the other provisions of these Conditions, we will never be obliged to pay higher compensation than the cost price paid by the client for that product or its part.

Clause 10. Payment.

1. The Counterparty undertakes to pay the agreed price net cash at the latest at the moment that we have fulfilled our obligations under the agreement, subject to other arrangements which must have been laid down in writing, and also without any discount or setoff.

2. If we agreed with the Counterparty payment other than in cash, payment must take place net without any discount or setoff by means of payment or transfer into a bank or giro account stated on the invoice or an account we indicated otherwise, within the period we stipulated but not later than within 14 days after the invoice date. The value date indicated by the bank or giro is considered to be the payment date.

3. Every payment by the Counterparty serves primarily to settle the interest and costs owed by him/it and the remainder will be deducted from the longest outstanding claim.

4. In the event that the Counterparty:

a. is declared bankrupt, assigns its estate, submits an application for a moratorium or his/its property is seized in whole or in part;

b. dies or is placed under guardianship;

c. does not fulfil any obligation resting on him/it by law or under this agreement;

d. fails to pay an invoice amount or part thereof within the period stipulated by us;

e. discontinues or transfers his business or a major part of it or amends the corporate purpose of his/its business,

by the mere occurrence of one of the facts set out above, we will be entitled either to consider the agreement as dissolved without any judicial intervention being required, or to suspend the (further) performance of the agreement, or to demand any amount due from the Counterparty pursuant to the performance made by us, fully and immediately and without any warning or notice of default being required, notwithstanding our right to reimbursement of costs, losses and interest.

Clause 11. Interest and costs.

1. If payment has not taken place within the period stipulated by us, the Counterparty will be in default by operation of law and will owe from the last day of the said period onwards 1½% interest per month on the amount still outstanding, whereby a part of a month is considered as a whole month.

2. All the judicial and extrajudicial costs to be incurred will be at the expense of the Counterparty. The extrajudicial costs are calculated according to the debt collection rate recommended by the Netherlands Bar Association.

Clause 12. Applicable law.

1. All our offers, agreements and the performance thereof, shall exclusively be governed by Dutch law.

Clause 13. Disputes.

1. All disputes including those which are only considered as such by one party, arising from or associated with the agreement to which these General Terms and Conditions apply or these Conditions themselves and their interpretation and performance, of a factual as well as a legal nature, will be settled by the competent court in our district, insofar as this is allowed under legal provisions.

2. The provisions set out in the previous paragraph do not affect our right to submit a dispute to the court which is competent according to the normal rules of jurisdiction.