

General Terms of Delivery

of Schnaitt International Messe and Ladenbau GmbH (“Contractor”)

A. Scope of Application, Contract Documents

1. These General Terms of Delivery will apply to all works contracts awarded the Contractor by the Client. Even if known to the Contractor, any general terms and conditions of the Client that differ from, conflict with or supplement these General Terms of Delivery will not apply unless expressly acknowledged and agreed in writing.
2. In the case of an ongoing business relationship, these General Terms of Delivery will also apply to future business between the Client and the Contractor even if not expressly referred to provided that they have already been applied in connection with a previous contract and the business conducted was of a similar nature.
3. These General Terms of Delivery will apply only to undertakings within the meaning of § 14 of the German Civil Code (*Bürgerliches Gesetzbuch* – BGB), legal persons governed by public law or special funds governed by public law.
4. The following will apply to all contracts awarded the Contractor in the order of priority in which they are listed below:
 - the quotation together with any separate supplements and addenda
 - these General Terms of Delivery
 - statutory provisions

B. Events, Responsibility of the Client, Subcontractors

1. Unless expressly agreed otherwise in writing, the Client will act as organizer of and assume responsibility for events carried out for the Client. The Client will at its own expense (in consultation with the Contractor where appropriate) obtain all permits required for the event on a timely basis and comply with applicable administrative regulations as well as with the conditions of the renter of the venue.
2. The Client will bear any fees to be paid in connection with the event (e.g., GEMA (German collecting society), Artists’ Social Welfare Fund (*Künstlersozialkasse*), withholding tax in the case of foreign artists). In addition, the Client will take out event organizer insurance.
3. In the event that the Contractor should require services of any third party for the event (e.g., venue, catering), the Contractor may source such services from subcontractors at its own discretion or subcontract such services on behalf and for the account of the Client if agreed with the Client.

C. Duties of the Client, Records of Meetings

1. The Client will provide the Contractor with all necessary support. In particular, the Client will at no expense to the Contractor put in place all technical and physical conditions for which the Client is responsible and which are required for proper performance of the work. The Client will upon request make available all materials, data and information required for the performance of the contract at the agreed location.

2. The Client will designate a competent person who is familiar with the work covered by the contract to act as contact person for the term of the contract.
3. The Client warrants that it will have acquired the necessary rights in all data, information, documents, graphic designs, etc., made available to the Contractor and that the use thereof for the purposes of performance of the contract will not constitute any infringement of third-party rights or violation of applicable laws. The Client will hold the Contractor harmless from any and all claims of third parties brought against the Contractor by reason of any failure to comply with the provision contained in the preceding sentence. This will apply in particular as regards any trademark infringements or competition-law violations.
4. In the event that the Contractor makes a record of any meeting with the Client and forwards such record to the Client, such record will become a legally binding contractual document and be used as the basis for the performance of the work unless objected to by the Client at its principal place of business in text form (e.g., by postal mail, e-mail or fax) within five working days. The Contractor will expressly inform the Client accordingly again when the record of the meeting is forwarded to the Client.

D. Quotation, Quotation and Design Documents

1. Quotations of the Contractor are subject to change. By placing an order, the Client expressly confirms its intention to engage the Contractor to perform the work described in the quotation. The Contractor may accept the order within one week following receipt unless the Client has expressly prescribed another binding period for acceptance. Acceptance may be made either expressly or tacitly by commencement of the work.
2. If requested to do so by the Client, the Contractor will determine whether it is possible to modify the work and if so under what conditions. The Contractor will implement any such changes upon acceptance of a corresponding follow-up quotation by the Client.
3. The scope and nature of the work are specified in the contract and product descriptions. Information on goods or services will not constitute an express warranty of specific characteristics (*garantierte Beschaffenheitsmerkmale*) but serve only to describe or identify the goods or services unless expressly agreed otherwise in the specific case.
4. No “sale by sample” will be consummated on the basis of any samples provided prior to or on the occasion of execution of the contract. Samples will serve exclusively to permit inspection and provide an approximate idea of the nature of the goods. This will not constitute an express warranty of any kind unless it is expressly agreed that the work will be based on a sample provided.

E. Dates and Periods of Notice

1. Dates will be non-binding unless expressly designated as fixed dates. Commencement of performance will be contingent upon resolution of all (technical) issues and timely receipt of all documents to be supplied by the Client. In the event that advance payments have been agreed with the Client, performance will commence upon receipt of payment. The Contractor may also refuse to fulfill its contractual obligations until such time as payment is forthcoming.
2. The Client may request that the Contractor make delivery one week after a non-binding date or period of time elapses. The Contractor will be considered to be in default upon receipt of such notice. In the event that a binding date or period of time elapses, the Contractor will be considered to be in default of performance immediately when the date or period of time elapses. Liability for any loss or damage suffered by the Client due to lateness will be governed by the provisions contained in section J.

3. Any due dates or periods of time agreed will be extended in accordance with the duration of failure on the part of the Client to fulfill any duty of cooperation on its part or the duration of any delay attributable to the Client despite receipt of notice of default. No notice of default will be required if a date has been agreed for performance of the duty of cooperation or the Contractor has set an appropriate period for compliance.
4. In the event that the Contractor cannot comply with binding delivery dates for reasons that cannot be attributed to the Contractor (non-availability of goods or services), the Contractor will inform the Client accordingly without delay and at the same time provide a new, likely delivery date. In this context, non-availability of goods or services will be taken to mean failure on the part of a supplier of the Contractor to provide any goods or services required for the work on a timely basis under circumstances in which the non-availability can be attributed neither to the Contractor nor to the Contractor's supplier. The Client may withdraw from the contract in the event that the resultant disruption of performance of the work should result in a delay that the Client cannot reasonably be expected to accept or if the Client is no longer interested in performance of the work. This will apply accordingly in the case of force majeure.

F. Shipment and Passage of Risk

1. Shipment will be made ex works (Incoterms 2010) unless agreed otherwise in writing. The Client may choose the mode of shipment and route at its sole discretion. The Contractor may make partial shipment if the Client can be reasonably expected to accept such partial shipment and will not incur any additional freight expense.
2. In the event that shipment is postponed at the request of the Client or is otherwise delayed for reasons attributable to the Client, the risk of accidental loss of or physical damage to the goods will pass to the Client upon notification of readiness for shipment and the goods will be put into storage at the expense of the Client.

G. Acceptance

1. The provisions of law will apply in the event that formal acceptance of the work of the Contractor is required by law. Construction work will be governed by the provisions contained in § 12 of the Construction Contract Procedures/Part B (VOB/B) and formal acceptance will take place without delay after completion. The Client agrees to be present at the acceptance inspection or represented by an agent vested with the requisite authority.
2. In the case of work for a trade show (e.g., stand or booth) or event, the Contractor reserves the right to require acceptance up to 18:00 CET on the day prior to the day of commencement of the trade show or event. The Contractor will be under no obligation to permit acceptance at an earlier date unless expressly agreed otherwise in writing in the specific case.
3. In the event that the Client has started to make use of the work in its entirety or in part prior to acceptance, the work will be considered to have been accepted as of commencement of such use. The provisions of § 640a(2) of the German Civil Code will remain unaffected.

H. Compensation and Conditions of Payment

1. The prices quoted will be net and apply for the scope of work specified in the order confirmation. Prices quoted will apply only if the entire quotation is accepted and are to be understood ex works. In the case

of additions to the contract and repeat orders, prices originally quoted will no longer apply (with the exception of the agreed hourly rates). Instead, the Contractor will submit a new quotation to the Client.

2. 50% of the anticipated contract sum will be due and payable upon acceptance of the quotation and the balance after completion and billing.
3. The Client will be billed separately for any shipping costs incurred as well as for the costs of any freight insurance desired by the Client. The Client will pay any customs duties, fees, taxes and other fiscal charges.
4. The Contractor may bill the additional expense incurred separately in the case of any delay in commencement, continuation or completion of the work for reasons that cannot be attributed to the Contractor. The rates and other prices of the Contractor in effect on the day of performance will then be applied on the basis of time worked (including travel and loading time), vehicle equipment and materials.
5. The Client will also be billed for work not included in the quotation but carried out at the request of the Client or additional expense incurred for reasons attributable to the Client, e.g., due to incorrect information, delays in shipment, insufficient ground stability or failure of third parties to perform preliminary work properly or on time.
6. § 648 of the German Civil Code will apply in the case of premature termination of any works contract by the Client.
7. The Client may offset claims against amounts due the Contractor only if the counterclaims of the Client are legally enforceable, undisputed or acknowledged by the Contractor except in the case of counterclaims of the Client arising under the same contract. The Client may exercise a right of retention only in respect of claims arising from the same contract.

I. Warranty

1. § 377 of the German Commercial Code (*Handelsgesetzbuch* – HGB) will apply insofar as the legal prerequisites obtain.
2. The Contractor will at its sole discretion first attempt to remedy defects in the work by repair or replacement. The Contractor may then also withdraw from the contract or reduce the price if the legal requirements are met. Further claims may be brought only under the provisions contained in section J.
3. Warranty claims will not be honored if a default can be attributed to failure to comply with operating, maintenance or installation instructions, inappropriate or improper use, improper or careless treatment and natural wear and tear or tampering by the Client or any third party.
4. The warranty period will be one year from the time of passage of risk or from the time of acceptance if acceptance is required by law. Such limitation of the warranty period will not apply in the case of claims for damages arising from defects in the work (e.g., in the case of failure to cure) attributable to gross negligence or willful misconduct on the part of the Contractor, its authorized representatives or agents or in the case of loss of life, bodily injury or illness. Such claims will remain valid for the duration of the statutory warranty period. Mandatory legal periods of limitation will also remain unaffected, for example, in the case of recourse against suppliers pursuant to §§ 478 and 479 of the German Civil Code.

5. Liability for express warranties in respect of characteristics or durability (*Beschaffenheits- oder Haltbarkeitsgarantien*) and liability for concealment of defects will not be affected by the above provisions.

J. Liability

1. Liability will be governed by and subject to applicable provisions of law unless agreed otherwise below.
2. The liability of the Contractor will be limited in the event that the Contractor is required by law to make good a loss or damage incurred under the contract through slight negligence. The Contractor will be liable only in the case of a breach of material contractual obligations and such liability will be limited in such cases to typical loss or damage foreseeable as of the time of execution of the agreement. Material obligations will be considered to mean such obligations as must be fulfilled to permit proper performance of the contract and upon which the respective other party may regularly rely.
3. Clause 2 will not apply in the case of claims arising from physical injury, illness or loss of life, fraudulent acts, assumption of any express warranty ("*Garantie*") or claims under the German Product Liability Act (*Produkthaftungsgesetz – ProdHaftG*).

K. Retention of Title

1. The Contractor will retain legal title to the work until such time as all outstanding amounts due the Contractor under the contract are paid in full. The Contractor also reserves the right to retain legal title to deliverables until such time as all payments due in connection with the business relationship with the Client are received.
2. In the case of breach of contract on the part of the Client, and in particular in the case of failure to make payment when due, the Contractor may repossess the deliverables. Repossession of the deliverables will constitute rescission of the contract. After repossession, the Contractor may dispose of the deliverables and credit the proceeds, less appropriate costs of disposal, towards the outstanding balance due by the Client.
3. The Client will treat the deliverables with good care and will in particular insure them at its own expense against fire, water damage and theft at replacement value. The Client will have any necessary maintenance and inspections carried out at its own expense on a timely basis.
4. In the case of attachment or other process undertaken by third parties, the Client will notify the Contractor accordingly in writing without delay so that the Contractor can bring action pursuant to § 771 of the German Code of Civil Procedure (*Zivilprozessordnung – ZPO*). If the third party is not able to reimburse the Contractor for judicial and non-judicial expenses incurred in connection with an action pursuant to § 771 of the Code of Civil Procedure, the Client will be liable for any loss incurred by the Contractor.
5. The Client may not resell any part of the work to which title is vested in the Contractor.
6. Any processing or transformation of the deliverables by the Client after delivery will be considered to have been carried out on behalf of the Contractor. If the deliverables are processed with other items that do not belong to the Contractor, the Contractor will acquire co-ownership rights in the newly created items in the ratio of the value of the deliverables (final invoice amount, including VAT) to the value of the other items processed at the time of processing. The physical object resulting from processing will otherwise be subject to the same conditions as the deliverables to which the Contractor retains title.

7. If the deliverables are inseparably combined with other physical objects that are not the property of the Contractor, the Contractor will acquire rights of joint ownership in the new object in proportion to that share of the value of the new object accounted for by the deliverables in which the Contractor has an ownership interest as of the time of such combination. If the physical object resulting from the process of combination is considered the primary object, the Client will assign the Contractor a proportionate ownership interest. The item so created in which the Contractor has sole or co-ownership rights will be held in safe custody by the Client on the Contractor's behalf.
8. The Contractor agrees to release any securities to which it is entitled at the request of the Client insofar as the recoverable value of such securities exceeds that of the claims to be secured by more than 10%. The Contractor may determine at its sole discretion which of the securities are to be released.

L. Posters, Graphic Designs, Other Visuals/Copy

1. In the event that the Contractor should produce any posters, graphic designs or other visuals or copy in connection with the work (hereinafter referred to collectively as "materials"), the Client will receive a non-exclusive right to use such materials for contractually agreed purposes upon payment in full of the compensation due for the work. The right to use the materials will be limited in terms of both location and duration to the purposes for which the respective agreement is entered into (trade show, event, etc.).
2. By reason of the limited right of use pursuant to clause 1, the Client will in particular refrain from using the materials for other advertising purposes unless agreed otherwise in a separate agreement. The Contractor therefore neither makes any warranty nor assumes any liability with respect to the legal permissibility of further use of the materials.
3. The Contractor will obtain any third-party rights required for the use of materials in connection with the contract (e.g., photo, film, copyright and GEMA performance rights). The Client will be responsible for settlement of any claims brought by authors pursuant to § 32 of the German Copyright Act (*Urheberrechtsgesetz – UrhG*).
4. The Client will receive no rights to use drafts or proposals that were rejected or not implemented. The Contractor will remain exclusive and full owner of such rights.

M. General Provisions

1. The place of performance and jurisdictional venue for any disputes arising from or in connection with the contractual relationship between the parties will be the location of the principal place of business of the Client insofar as the Client is a businessman, legal person governed by public law or a special fund governed by public law. The Contractor may, however, bring action against the Client before the courts of general jurisdiction over the Client.
2. The contract will be interpreted and construed exclusively in accordance with the laws of the Federal Republic of Germany to the exclusion of application of the U.N. Convention on Contracts for the International Sale of Goods. Conflict of Laws provisions will not apply insofar as they may be waived.
3. In the event that any provision of these General Terms of Delivery should be or become void, invalid or unenforceable in part or in its entirety or any provision that would otherwise have been necessary has been omitted, the validity and enforceability of all remaining provisions of this contract will not be affected.

Valid as of 10/2019