

Studio 55 International (=STUDIO55)
General Terms and Conditions of Sale - Inflatables

Scope. The Terms and Conditions of Sale contained herein apply to all orders for and purchases of the products of Studio55 International. Any changes to the Terms and Conditions of Sale shall have no effect unless they are set forth in writing and signed by authorized representative of Studio55 International. Receipt of any of our products and services is deemed acceptance of these Terms and Conditions of Sale. Our purchase conditions as well as oral agreements are only valid if they have been agreed by STUDIO55 in writing.

Offer. Offers of STUDIO55 are subject to change.

Price. All prices quoted are net, VAT not included. We calculate the applicable prices on the date of delivery, they may include permissible recalculations, price rise, plus an additional amount for VAT. Delivery service of STUDIO55 (surface or air mail) is not free of charge. Letters and packages may be sent free of charge and transportation costs at the express request of the customer. Orders will normally be dispatched by surface mail, however courier delivery is also possible depending on the pressure of time and money. Delivery is made at the purchaser's risk. we assume no liability for damage or loss occurring during transport.

Delivery and liability

Any dates quoted for delivery, either in our price list or in the correspondence, are approximate only. Depending on the number of orders we are processing at a given moment the delivery may take either longer or shorter than the listed delivery times. The delivery date is deemed to have been met if the goods have been delivered within two business days from the order confirmation date in case of standard forwarding services and post, and within one day from the order confirmation date in case of express services, such as express rail services. Any claims for damages due to late performance or non-performance of the contract are excluded. This applies in particular for the delays in delivery confirmed by us in forward orders. (Except intent and gross negligence)

Notice of defect

The Purchaser is obliged to inspect the delivered goods promptly after receipt and give notice of defects, otherwise no warranty claims may be asserted. Defects which only become apparent later must be notified in writing within 14 working days of receipt by the purchaser. The goods should not be used and bear any marks of usage. However, material and manufacturing technology-related properties of inflatable advertising media, printing and labeling are not considered to be a defect. Surplus or short deliveries of up to 5% are in conformance with standard commercial practice and should not be considered to be a defect. Our calculations are always based on the quantity actually delivered. Any clichés that are prepared by our company are only available to those clients who place multiple orders within a reasonably short period of time. For defective goods we shall be entitled to choose either to have the defect corrected under the warranty or to have a carriage-free replacement delivery. If the warranty claim is accepted, the transport shall be at our expense. If in case of the repair, or forward order, timely rectification / replacement is not possible or fails, the customer has the right to change their order or be granted a price reduction. Further claims, in particular for damages for consequential losses - are excluded, unless they are based on gross negligence or deliberate infringement of STUDIO 55, a legal representative or agent, this also applies to damages for breach of duty in contract negotiations. This does not include the compensation for damage to health or body, as well as compensation for damage to private property, which result from the tort of negligence and are regulated by the Product Liability Act. If defect is known or should be known to the purchaser and the product is in continuous use, the product is deemed to be accepted by the purchaser. All our price lists and additional information given (volume, diameter, size and capacity, etc.) are approximate.

Force majeure

Performance by Seller under the orders shall be extended or excused to the extent failure to perform is the direct or indirect result of any occurrence beyond STUDIO55's control including, but not limited to, strikes, labor troubles, riots, floods, fires earthquakes, storms and other natural disasters, accidents, shortage of cars, failure of production, supply, transportation or delivery of raw materials or the materials covered by this agreement. In each of the beforementioned situations the purchaser will be informed that STUDIO55 cannot complete the order in which case the customer has the right to refer to other parties to continue with the order.

Payment

Invoices are due immediately without deduction. Down payment of the total amount is required, the remaining amount is due immediately without deduction. Non-cash means of payment are accepted only with the usual restrictions. Any

failure by the purchaser to pay any amount when due will entitle STUDIO 55 to collect overdue fines and interest on the outstanding amount, which are at least 5% above the base rate of the Bundesbank. The purchaser's failure to pay an invoice on its due date shall entitle STUDIO55 to suspend further performance and deliveries to the customer until it receives full payment. Partial invoices for partial deliveries are accepted by the purchaser, without exception. For financial reasons, the late payment is only given a pre-reminder § 264 BGB. All rebates, discounts or any other price reducing allowances granted are no longer valid when late payment occurs. Subsequent charges are irrevocable. The purchaser shall have the right to offset our claims against him. The customer shall only be entitled to offset his claims if they are legally established, undisputed or recognized by us. We reserve the right to deliver only with payment in advance or cash on delivery. A deposit equal to 15%-50% of the total estimated costs is required in orders for custom inflatable advertising (inflatables), print products as well as all play equipment and bouncy castles. The deposit amount is calculated on the basis of the overall contract sales price and may be free depending on the decision of STUDIO55. Other cases are regulated by beforementioned rules of payment. The delivery period for custom products and bouncy castles starts upon the receipt of payment. Delivery periods begin with order confirmation at the earliest.

Retention of Title

We shall retain the right of title to any goods until such time as full payment is received for all accounts receivable from the purchaser, including any receivables which may arise in future from the business relationship. The goods must neither be pledged nor assigned by way of security without STUDIO55's consent. In the event of third parties' acts aimed at obtaining the goods under retention of title, the purchaser shall draw attention to our title, inform us without delay and provide us with any assistance that is necessary to safeguard our rights. The purchaser shall be entitled to process and to sell the goods under retention of title in the orderly course of business unless the good were supplied to him as a final purchaser. We shall be considered to have verbalized our intention to take back the goods if payment is suspended or if an application is made to start insolvency or bankruptcy proceedings with regard to the assets of the purchaser. In the event of any processing by the purchaser with goods not belonging to us, we shall have the right of co-title to the new product in the ratio of the value of goods supplied by us.

Treatment of borrowed items

Items borrowed (play equipment and advertising media) such as bouncy castles or blowers shall be given special care at all times. Damage caused by improper handling or excessive force during transportation or rental period shall be borne by the lessee. „Instruction for the use of our bouncy castles with permanent fan“ shall be followed. Bouncy castles cannot be transported unless they are folded carefully, as it may cause damage during transportation. The castle along with the archway and bouncy surface shall be returned clean. Cleaning fee may apply and be charged if the play equipment or advertising media are not returned in clean condition. Rented bouncy castles shall be returned not later than on the first business day after purchaser's rental due date. The lessee may also be requested to give his third address to the lessor (new place of rental). Rented play equipment and advertising media may only be used within the previously agreed period of time. Any unauthorized usage without the knowledge of the renter will be additionally charged. Forwarding there and/or back of the play equipment and advertising media shall be at the risk and expense of the lessee. Exceptions to the hereof can be made with the written agreement of STUDIO55. Shipping costs connected to the delivery and collection of play equipment and advertising media are to be covered by the tenant at any times. We are entitled to refuse to accept an item if it was sent to us chargeable. The rent for the time until the tool has been sent back to us free of charge, will be charged and is due immediately. STUDIO55 shall not be held liable for any accidents or injuries that may occur during the usage. The lessee is advised to take out civil liability insurance. Official regulations regarding the use of our rented and purchased items shall be strictly followed by the lessee/purchaser. Proper attachment points on roofs etc. by the use of balloons and standdisplays must be ready to be installed or fixed already. It is client's sole responsibility to perform the tests of static load capacity and suitability of roofs.

Miscellaneous/ place of jurisdiction

The place of jurisdiction for any claims made in form of valid orders for payment procedure or if the buyer is a registered trader, unless he falls under § 4 HGB, is Husum as appointed. This ruling on the place of jurisdiction shall also apply explicitly in the event of the party to be claimed against through legal action moving its registered office, place of residence or place of habitual abode subsequent to conclusion of the contract. The legal relations of the parties are subject to the laws of the Federal Republic of Germany. Studio 55 International