

GENERAL TERMS AND CONDITIONS

1. Force of the General Terms and Conditions

These General Terms and Conditions (hereinafter: „**GTC**”) are applied without limitation to all rental agreements which are concluded between ARRI Rental Deutschland GmbH Magyarországi Fióktelepe (Incorporation No.: 01-17-000637; Registered office: H-1151 Budapest, Felsőkert utca 9.; VAT No.: 22688873-2-42, EU VAT No.: HU22688873 hereinafter: „**ARRI**”) and its Clients (hereinafter: „**The Client**”) (collectively hereinafter: „**The Parties**”) in the territory of Hungary, unless the parties enter into a different contract overruling the GTC. ARRI acts on behalf of foreign enterprise: ARRI Rental Deutschland GmbH. In case of any conflict between the GTC and the general terms and conditions of Client or the business terms of subcontractor or business partner of ARRI, GTC is the governing text. The Parties agree that in terms of their agreement the governing law is the Hungarian . ARRI reserves the right to employ subcontractors to fulfil its undertaken services. ARRI is entitled to unilaterally modify GTC in part or in whole with changes effective in the future. Any such modification is in force from the date it is published on the web page of ARRI.

2. Offer, contract, deadline and due date

ARRI provides cinematographic equipment in the form of short-term rental.

2.1. Order: The Client requests a quote for a detailed list of equipment from ARRI in written form.

2.2. Order Confirmation: in reply to the Order, ARRI provides an offer specifying rental fees of items requested by the Client, and performance deadlines (hereinafter: **Offer**).

2.3. Acceptance, contract formation: Acceptance of the Offer is declared by The Client in writing; when the Offer is accepted explicitly and unchanged, the contract is formed upon confirmation is received by ARRI, even if it stipulates ancillary conditions that do not affect the whole.

2.4. In other matters the regulations of the Hungarian Civil Code §6:63. §6:69. apply.

Information: The Client shall provide ARRI with all necessary information. In case said information is insufficient ARRI notifies The Client in writing. The Client shall complete provision of information within three calendar days. If The Client fails to do so ARRI has the right to cancel or to deny fulfilment until all necessary information is provided. ARRI shall not take responsibility for delayed fulfilment caused by delay of The Client.

Cooperation: The Parties shall cooperate in order to successfully complete the contract, especially in case further information needs to be provided: The Client shall provide information within three calendar days of receipt. Furthermore, The Client shall establish an insurance contract for all rented equipment and for the entire rental period including transit time according to GTC (7).

The Parties shall affect an individual rental contract (hereinafter: **Contract**) consolidating specifications of 2.1 Order and 2.2 Order Confirmation.

Modifications to the Contract shall be instituted exclusively in mutual agreement of the Parties, in writing. The Client may request modifications via mail, e-mail, or fax. ARRI shall respond to the request using the same media. The modification request shall be attached to the original Contract.

3. Fulfilment

3.1

The Client shall inform ARRI in detail regarding use of equipment. The Client shall provide such information in the Order. ARRI shall release equipment, which have previously been confirmed and are specified in the Offer, at the location and date specified in the Offer. The Client shall use released equipment in accordance with its present function. Prior to receipt, The Client shall verify if all devices and accessories (including vehicles as well) to be released are in satisfactory condition, operate properly and are complete. The Client shall, in all cases, do a test run, i.e. ascertain that the devices operate properly. Receipt of the equipment by the Client (including vehicles as well) is equivalent to confirming that all devices and vehicles are in working condition and are suitable for use specified in the Contract. The release and receipt of the equipment is confirmed by The Parties placing their signature and seal on the delivery note.

3.2

The Client shall act carefully in terms of use of equipment, and shall use the equipment according to its present function. The Client shall not subrent or lend the equipment to a third party on any legal ground, unless ARRI has previously given consent in writing. In case of violation The Client is liable for all damages. In case ARRI gives consent The Client is responsible for the third party and is liable for all damages caused by the third party.

3.3

The equipment shall be used in accordance with its technical specification, and shall exclusively be assembled, operated and disassembled by professionals that are experts in handling devices of their respective fields. In case The Client rents the equipment without technical personnel, The Client shall ascertain that appropriate safety regulations are met. The regulations of the German Accident Prevention and Insurance Association and the directives of the German Electrotechnical Association (Verband der Elektrotechnik - VDE) are listed in the Appendix of the GTC.

3.3.1

The vehicles shall not be used

- to transport passengers and certain items
- to tow or push, or to move another vehicle in any other way
- by individuals under influence of alcohol or drugs – or any other legal or illegal psychoactive substance.

3.3.2

The kilometer rate is calculated according to the built-in meter in the vehicle. In case a meter is faulty the distance is calculated according to the distance covered on the map + 20% administrative distance. The fuel tanks of the vehicles are fully loaded when released and shall also be fully loaded upon return. In case of non-compliance the extra cost of refuel will be charged to The Client.

3.3.3

In case of an accident the driver of the vehicle shall represent the interests of ARRI and the insurance company.

3.3.4

Both the steering wheel of the vehicle and the vehicle itself must be kept locked when not in use.

3.3.5

The Client shall abide by the law regarding e.g. truck stop, use of tachograph, transport regulations (EKÄER / GuKG). The Client shall be able to present transportation documents at any time.

3.4.

The equipment, that ARRI has the right to rent out, is the property of ARRI Rental Deutschland GmbH. No right of ownership – either in part or in whole – shall be transferred to The Client.

4. Rental period, rental fee

4.1

The Rental period starts upon release of equipment and ends upon redelivery to ARRI. In any case the rental period specified in the Contract means the minimum rental period. Rental fees are defined either as per day or as per package. A weekly fee is calculated with 3 days in case of camera equipment, and with 5 days in case of lighting or grip. Special fees: Saturday, Sunday and holiday rentals, half-days are calculated as 1 full day each. The offer prices are net and taxes defined in law effective from time to time will apply. Prices are subject to change without notice. The minimum rental fee is 30 EUR. Any billed amount below 50 EUR needs to be compensated in cash upon receipt or delivery of equipment. Prices that apply to the subject of the Contract are consolidated in the Offer and are accepted by The Client by confirming the Offer. The cost of transportation is not included.

4.2

The means and deadline of transportation of equipment and vehicles or any relevant activity shall be specified in the Contract (or in the confirmed Offer), in the delivery note and/or in the proof of completion.

4.3

In case the Rental is cancelled less than 24 hours before the date specified in the Contract, ARRI is entitled to charge 50% of the rental fee.

4.4

Costs of packaging and transportation shall be met by The Client even if these services are provided by ARRI.

This leaves expenses defined in GTC (3) and (7) unaffected. The Client shall report all damages and losses – especially damages in context with transportation – to ARRI without delay.

5. Payment conditions and security interests

5.1

Payment is made in cash as a rule, without reduction, upon redelivery of equipment and receipt of invoice, at the cash desk at ARRI. In case a giro (bank transfer) invoice is issued the amount is due and payable without reduction within fourteen calendar days. ARRI shall not accept cheques or letters of credit. Expenses regarding discounting (present value calculation), invoicing (all costs related to foreign currency exchange and bank transfer, bank costs, fees or equivalent) shall be charged to The Client and need to be immediately met.

In case of late payment The Client shall pay ARRI the equivalent of 40 EUR calculated according to the daily exchange rate on the first day of delay published on the website of the Hungarian National Bank, in order to cover ARRI's expenses concerning enforcement of claim.

This does not abolish or alleviate further legal consequences but it is set off in the amount of compensation.

ARRI shall charge moratory interest to an extent specified in the Civil Code.

In case ARRI learns of a circumstance that questions the Client's solvency or its willingness to pay – late payment and arrears in particular – ARRI shall require The Client to advance the full amount of the rental fee.

Furthermore, ARRI may require The Client to place a specified amount of deposit. ARRI shall terminate the contract with reasonable terms in case The Client fails to comply within 8 days after receipt of written demand for payment. The Client shall delay or withhold payment or is entitled to reduction or setoff, if The Client is in possession of the final and enforceable judgement of the court, or if The Parties agreed in one of the above mentioned actions.

5.2

In case The Client becomes insolvent ARRI shall be compensated to the extent of the payments already transferred directly or through business partners to any member of the ARRI Group or by acquisition, by recovery or by acquiring the right to recover collaterals.

6. Liability

6.1

The GTC does not apply to responsibility towards ARRI, authorities or subcontractors in cases of minor negligence.

6.2

ARRI denies liability in cases of gross negligence against legal entities, public goods or enterprises committed by subcontractors of ARRI.

6.3

Force major: ARRI denies liability in cases of force major, strike or behaviour of suppliers or in any such similar case.

Neither party is liable for inevitable events that occur outside their interests. Such event is typically a natural disaster, a firestorm, flood, measures taken by authorities, a state of emergency, a riot, a civil uprising, war, strike, demonstration or similar walkout, anomalies and malfunction related to traffic, shortage of material, epidemic or famine.

In case the delay due to a force major exceeds two months, both Parties may withdraw from or terminate the Contract with immediate effect.

Both Parties are obliged to inform one another of any force major.

ARRI shall be compensated for the services already completed even in case of a force major.

6.4

In case liability of ARRI is limited or cannot be determined, that statement shall apply to all employees, employers, personnel, representative and subcontractor of ARRI.

6.5

After redelivery of the vehicle ARRI shall not take responsibility for any assets or valuables left inside. The Client shall assume all expenses and demands regarding any such damage or loss.

7. Insurance

The Client shall sign a property and liability insurance on cinematographic devices and transport effective one calendar day prior rental period and shall name ARRI as Beneficiary. In case of loss or total loss the insurance is required to cover the cost of replacement. Prior to release of equipment The Client shall present the insurance documents to ARRI. In case of non-compliance ARRI shall deny release of the equipment. ARRI denies responsibility for any delay caused by non-compliance of The Client.

The Client may request to consolidate the insurance on cinematographic equipment and transport through ARRI, as well. In this case the insurance invoice is issued separately and with the amount increased by 10% of the rental fee, as administrative commission. In case The Client requests ARRI to include domestic events in ARRI's own insurance, The Client is obliged to pay ARRI 1250 EUR of additional compensation for damage after each loss event. Any change of risk factors or any circumstances that are not part of the intended use shall immediately be reported to ARRI by The Client and are required to be filed in writing prior to production. The Client is required to bear the costs of all other necessary insurances regardless of whether the equipment itself is insured through ARRI or The Client.

The Client shall take full and limitless responsibility in terms of theft, embezzlement, misappropriation by third party, or any means of damage inflicted to the equipment regardless of whose fault. No alteration or modification with repair of the rented equipment is allowed. Any such alteration shall be executed in exceptional cases only, and exclusively after the written consent of ARRI.

8. Reimbursement

The Client shall pay ARRI the rental fee for replacement for a period equivalent to the repair time of damaged equipment. In case of total loss or loss The Client shall reimburse ARRI for the replacement. In terms of vehicles a lump sum equivalent to 200km use per day is added to the daily rental fee.

The rental period of equipment and vehicles is consolidated as calendar day – and occasionally exact local time – in a separate contract. In case The Client extends the rental period without the consent of ARRI so that ARRI cannot rent out the equipment to another client and thus ARRI is bound to compensate the next client, ARRI shall have The Client meet the costs of compensation and additional expenses.

During the rental period The Client is liable for all damages and losses fully and without limitation.

9. Redelivery of the equipment

The satisfactory condition of the returned equipment or vehicle is not confirmed by ARRI immediately upon redelivery. ARRI explicitly reserves the right to thoroughly inspect any returned asset, and so is entitled to inform The Client of any damage and loss within four weeks.

10. Miscellaneous

Trade secret: Any information, data or fact exchanged between The Parties regarding the Contract shall be handled as trade secret. The Client acknowledges that documents, blueprints, schematics and other material made and provided by ARRI are the property of ARRI. ARRI does not allow The Client to use any such material in any business not conducted with ARRI.

Handling of data: ARRI agrees to be bound by Acts and directives effective from time to time regarding data handling.

Governing Law, Clauses

Any questions not regulated by the GTC shall be governed by the Confirmed Order – which is attached to and made part of the Contract – and legislation effective from time to time, especially the Hungarian Civil Code.

In the event of legal dispute relating to the Contract The Parties submit to the exclusive competence of the Buda Central District Court , the Székesfehérvár Tribunal (regarding property law) or the Budapest Metropolitan Court (regarding other matters) depending on the value of subject matter.

The location of performance is Budapest, Hungary.

The location of the competent arbitration court is Budapest, Hungary considering all claims including simplified compulsory execution in respect of money orders and invoices. Hungarian law applies. In the event of voidance or avoidance of the GTC or any agreement or directive between The Parties in part or in whole all other agreements and directives between The Parties remain valid. Any such voided or avoided agreement or directive shall be replaced by another agreement or directive that most appropriately serves the original business goals.

The GTC is in force until a new General Terms and Conditions issued by ARRI comes into effect.

Budapest, July 2015.

ARRI Rental Deutschland GmbH Magyarországi Fióktelepe