



GENERAL CONDITIONS

General Conditions of the Company with Limited Liability Spectator Video Technology Holding B.V., established and having its office at the Netherlands, Nieuwstraat 2, 4921 CX Made and its affiliates

Article 1. Definitions

Clause 1. In these general conditions, the terms below are defined as follows:

- Spectator: the private limited company with limited liability Spectator Video Technology Holding BV or an affiliated company.

Clause 2. Where these general conditions refer to 'goods', this means both goods and services delivered by Spectator.

Article 2. Applicability

Clause 1. Unless otherwise agreed in writing, these general conditions are applicable to all quotations and all contracts for the execution of work/services or to contracts of purchase and sale, made to or concluded with other parties by Spectator in so far as Spectator has pointed out to the other parties that it wishes to regard these conditions as forming part of its quotations and contracts and to consider them applicable to its quotations and deliveries.

Clause 2. The statement made in the preceding article also applies to (more detailed and/or additional) agreements between Spectator and other party where the applicability of these 'general conditions' is not (explicitly) mentioned.

Article 3. Offers

Clause 1. All quotations are made without being binding on Spectator, unless explicitly stated otherwise, and are based on the data, drawings, etc., furnished with the inquiry, if any

Clause 2. Pictures, catalogues, drawings and further data supplied by Spectator are subject to alterations without prior notice and are not binding upon Spectator, unless explicitly stated otherwise in our quotations. The intellectual property of those documents rests solely with Spectator.

Clause 3. Pictures, catalogues, drawings and additional data supplied by Spectator always remain the property of Spectator.

Article 4. Conclusion/nature and scope of the agreement

Clause 1. An agreement is only concluded after the order placed by the other party has been acknowledged in writing by Spectator.

Clause 2. Verbal agreements with or promises made by representatives or subordinates of Spectator are not binding, unless Spectator confirms these verbal agreements or promises in writing.

Clause 3. Unless otherwise agreed in writing, goods delivered by Spectator should always comply exclusively only with the specifications agreed with the other party, regardless of whether the goods are appropriate for the use desired by the other party – whether known to the Spectator or not –.

Article 5. Price

Clause 1. Unless otherwise explicitly agreed in writing between Spectator and other party, prices quoted by the Spectator are ex-factory, warehouse or other storage space of Spectator, excluding sales tax, import obligations or other taxes, levies or obligations and excluding the cost of loading and unloading, transport and insurance, all of which costs are charged to the other party. Spectator will not acknowledge any exemption from taxes or levies unless the other party presents Spectator with a valid certificate of exemption from the tax authorities concerned.

Clause 2. Price or prices quoted in an agreement or at the moment the offer is made are based on cost-determining factors at that moment. If at any time, including the period between the date of the offer and delivery, there should be any changes in the relevant market conditions, leading to a price increase

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of 10 % or more, Spectator has the right to alter prices offered and/or agreed upon in accordance with these increases. Spectator shall be entitled to adjust prices annually at least according to index rate of the Harmonized Index of Consumer Prices (HICP) published by Eurostat.

Clause 3. Unless otherwise agreed in writing, all Spectator prices are stated in Euros.

Clause 4. If the price is in a currency other than the Euro, the amount corresponding with this price in Euros will not be lower at the moment of payment than the price in Euro would have been at the moment the agreement was concluded.

Clause 5. If an extension or modification of the order leads to a price increase or an extension of the required time, Spectator shall prior to starting the work on such modified order notify the other Party thereof. If additional wishes of the other Party lead to such a change in the agreed upon work that Spectator's performance under this agreement increases in weight of scope, such increase shall constitute extra work in respect of which additional fee may be required according to the rates applicable. If Spectator believes that extra work is involved, it shall notify the other Party thereof in writing as soon as possible. Spectator shall include an estimate of the extra time required for completing the work and of the costs involved.

Article 6. Delivery period

Clause 1. Unless otherwise agreed in writing, delivery of goods will be ex-factory, warehouse or other storage space of Spectator, in which case goods are considered to have been delivered by Spectator and accepted by the other party as soon as the goods have been presented to the other party and/or as soon as the goods have been loaded on to transport facilities.

Clause 2. Delivery times are established by approximation unless specifically stated otherwise.

Clause 3. Periods of time notified to or by Spectator shall never be considered as final deadlines unless expressly agreed otherwise in writing. In the event of any late performance by Spectator, Spectator shall, in such cases where performance is still possible, be declared in default and be granted a reasonable extra term in order to meet its obligations. This extra time period shall depend upon customary practice in this line of industry. If the extra time period term is exceeded, the other Party shall, except for Force Majeure within the meaning of clause 5, be entitled to dissolve the agreement, provided that the work has not yet been initiated. Spectator shall not be liable for damages in such case.

Clause 4. Goods to be delivered are at the expense and risk of the other party after delivery as referred to in the previous article.

Clause 5. If delivery is made partly or totally impossible by force majeure, Spectator has the right to delay delivery, or to partly or totally cancel the agreement, in so far as it has not been completed, and demand payment for the parts that have been executed, always without any obligation to pay any damages to the other party.

Clause 6. If the other party has refused delivery after the end of the delivery period, these will remain at his disposal, stored at his cost and risk. However, Spectator is also entitled to invoice, or in such cases, to annul the agreement in writing and to claim full damages, or to demand release from the agreement in a court of law.

Article 7. Assembly and installation

Clause 1. Unless otherwise agreed in writing, the other party will bear sole responsibility for receiving, installing, operating and maintaining all goods, which are part of the agreement between the parties. Spectator has no obligations whatsoever in this respect.

Clause 2. If explicitly agreed in writing, the goods delivered will be installed by engineers and / or technicians (employed) by Spectator or its suppliers. The costs resulting from the aforementioned assembly and installation will not be included in the price agreed between parties, but will be billed to the other party by Spectator (separately) at its normal rates, except if explicitly agreed otherwise in writing.



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Clause 3. Employees charged with assembly and installation will restrict themselves to assembling the goods delivered by Spectator and/or goods being part of the order. Spectator is not responsible for assembly work of goods not specified in the order.

Article 8. Force majeure

In these general conditions, force majeure implies every circumstance not under Spectator's control - even though it might have been possible to foresee this at the time the agreement was made - which permanently or temporarily prevents the execution of the agreement, and also, in so far as not already included, war, threat of war, civil war, riots, strikes, lock-out of workers, transport problems, electricity breakdowns, fire and/or serious breakdowns at Spectator's place of business or its suppliers.

Article 9. Transport

Clause 1. Unless otherwise agreed in writing, Spectator will determine the means of transport, dispatch, packaging, etc., without this resulting in any liability for Spectator.

Clause 2. Unless otherwise agreed in writing, transport will take place at the expense and risk of the other party, also even if the carrier has explicitly stated that all transport documents must state that all damage resulting from transport is at the expense and risk of the sender.

Article 10. Inspection and tests

Clause 1. Except in the case of a test that has been agreed upon as referred to in the following clause of this Article, the party will inspect the goods / the assembly work delivered, no later than 14 days after delivery. If this period expires without written well-founded and specified complaints having been lodged or without an inspection as referred to previously having taken place, the other party will be considered to accept the goods after inspection.

Clause 2. If the parties have agreed on this, the goods will be tested at the premises of the other party on the basis of one of Spectator's standard tests. Organising such a test and all related costs including the cost of travel, lodging & boarding of Spectator's representatives is entirely the responsibility of the other party. If the other party is in default in this respect and a test has not taken place within 30 days of delivery as referred to in section 9 of these general conditions, the other party will be considered to have accepted the goods after a successfully completed test.

Clause 3. The other party will never be entitled to claim that the goods delivered by Spectator do not meet one or more conditions tested during a test if it has not been explicitly agreed in writing between parties that the goods to be delivered by Spectator must meet these conditions.

Article 11 Intellectual property

Clause 1. Copyright and other intellectual rights to the software, to the knowhow, and to any copies made of it are owned by Spectator and/or its suppliers. Spectator permits the other party to use the software and knowhow only in accordance with these Terms and Conditions and/or the Spectator agreements. All rights not specifically granted in these Terms and Conditions are reserved by Spectator. The other party may either (a) make one copy of the software solely for backup or archival purposes, or (b) transfer the software to a single medium provided the original is kept solely for backup or archival purposes. Product manual(s) or written materials may not be copied, except for the other parties own use. The other party may not copy, download, upload or in any other way reproduce the knowhow, except for creating one copy solely for backup or archival purposes. The other party does not acquire ownership of the Software or the knowhow.

Clause 2. The other Party acknowledges and agrees that the Spectator products were developed at considerable time and expense by Spectator and are confidential to, and a trade secret of, Spectator and/or other third parties. You undertake to maintain the products in strict confidence and not to disclose or provide access to the product to any third party.

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Article 12. Restriction of ownership

Clause 1. Spectator reserves ownership of all goods delivered and to be delivered to the other party until the price for all these goods has been paid in full.

Clause 2. If, within the framework of the agreement made with the other party, Spectator carries out work to be paid for by the other party, restriction of ownership also applies until the other party has paid this claim in full.

Clause 3. As long as ownership of the goods delivered has not been transferred to the other party, the latter is not entitled to pledge the goods or grant a third party any rights to them. However the other party is allowed to sell the goods delivered under restriction of ownership to a third party and to present them within the normal framework of business operations.

Clause 4. The other party agrees not to cede or pledge claims, which it acquires with respect to its buyers to third parties without previous written consent from Spectator.

Clause 5. The other party is obliged to keep the goods delivered under restricted ownership with all possible care and as recognisable possessions of Spectator.

Clause 6. The other party is obliged to insure the goods for the duration of the restricted ownership against fire, explosion and water damage, as well as against burglary, and to present these policies to Spectator on demand.

Clause 7. If the other party fails to meet its payment obligations towards Spectator or Spectator has good reasons to believe that the other party will fail to meet its payment obligations, Spectator has the right to reclaim goods delivered under restriction of ownership. After reclaiming the goods, the other party will be credited for the market value, which will in no case be higher than the original purchase price, decreased by the cost of reclaiming the goods.

Article 13. Transfer of rights and obligations

The other party has no right, without previous written permission from Spectator, to transfer, pledge or otherwise transfer its rights and obligations pursuant to the agreement to a third party.

Article 14. Payment

Clause 1. Unless otherwise agreed in writing and without prejudice to what is stated in the following clauses of this section, payments to Spectator shall be made net within 14 days after the invoice date. The end of this period must be regarded as a deadline.

Clause 2. All payments should be made without any discount and/or adjustment in the manner agreed. The other party never has the right, for whatever reason, to defer payment or deduct (supposed) claims against Spectator.

Clause 3. Spectator has the right to demand complete or partial pre-payment for deliveries or partial deliveries at any time.

Clause 4. Spectator has the right at any time, before or while making deliveries, to demand adequate security from the other party for the observance of all or part of its payment obligations.

Clause 5. Spectator has the right to defer further deliveries if the other party defaults on its payment obligations or otherwise fails in one or more of its obligations towards Spectator, also in the case in which a fixed delivery time has been agreed, all this without prejudice to the right of Spectator to annul the agreement and/or demand full damages and without prejudice to all Spectator's other rights.

Clause 6. Unless explicitly agreed otherwise, regarding all payments made under whatever name by the other party are in the first place deducted from the costs and subsequently deducted from the interest accrued and finally deducted from the main sum of the unpaid invoice, whereby, if more invoices are unpaid, the payment is, in the first instance, deducted from the oldest invoice.



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Clause 7. If the other party does not pay within the agreed period, it defaults by right and owes Spectator, without any proof of default and starting with the expiration date of the invoice(s), interest payments equal to the legal interest rate plus 2% on the unpaid sum.

Article 15. Extrajudicial and judicial costs

Spectator shall furthermore be entitled to charge the other party with any and/all collecting charges incurred by non-payment, including both the judicial and the extrajudicial charges.

They shall amount to 15% of the other parties total amount due as liquidated or pre-estimated damages.

Article 16. Guarantee and complaints

Clause 1. Taking into consideration the restrictions stated below, Spectator warrants for a maximum period of twelve months after delivery, the reliability of the goods delivered, on the understanding that if these should not comply with the agreement, Spectator will deliver what is lacking, or will repair the goods delivered if Spectator can be reasonably expected to comply with this, or if repair is not possible or feasible will replace the goods delivered, unless the defect differs too little from what has been agreed to justify this, or if the goods after the date at which the other party should reasonably have taken cancellation into consideration, have been destroyed or have deteriorated because the other party has not ensured that they were kept in good repair as may be expected from a careful debtor.

Clause 2. Without prejudice to the provisions in Article 10 of these conditions, complaints in connection with externally perceptible flaws should be lodged in writing within 14 days of delivery. This term must be regarded as an expiration term.

Clause 3. Without prejudice to the provisions in Article 10 of these conditions, complaints with reference to externally imperceptible flaws should be lodged in writing within 14 days of discovery but no later than six months after delivery, both of which terms should be considered expiration terms.

Clause 4. Complaints about the amounts stated on the invoices sent by Spectator should be lodged in writing within 14 days after the invoice date. This date should be considered an expiration date.

Clause 5. In case of replacement or compensation, the use that has been made of the goods supplied is taken into consideration.

Clause 6. In case of replacement, the parts or goods replaced become property of Spectator.

Clause 7. Unless explicitly otherwise agreed in writing, the observance of the warranty obligation only applies within The Netherlands.

Clause 8. The warranty is only valid if the other party has fulfilled all its obligations towards Spectator. In addition, Spectator is not bound to any warranty, under whatever name, if the goods delivered have been processed in the meantime, if the other party has not strictly adhered to Spectator's recommendations and the regulations for use and assembly, of the manufacturer's and/or suppliers of Spectator or if third parties, either with or without the consent of the other party, without prior written consent from Spectator, have made any alterations to the goods supplied by Spectator.

Clause 9. For goods and/or raw materials delivered by Spectator but obtained from third parties, the statements in the previous clauses only apply in so far as and to the extent to which the supplier of these goods and/or raw materials has given warranties to Spectator.

Clause 10. With the exception of intent or gross negligence on the part of the management or executive employee of Spectator, the settlement of Spectator's warranty obligation is the only compensation. Spectator is not liable to further compensation, in whatever form.

Article 17 Return Merchandise Authorization (RMA)

Clause 1. Before returning any item with the exception of software, the other party must contact Spectator for a Return Merchandise Authorization number (RMA), between normal business hours stating Spectator Item Number and Invoice Number.



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Clause 2. All returns must have an RMA number issued prior to acceptance of returned product returned by Spectator. The other party will complete an RMA form only after receiving an authorization number from Spectator. Spectator will send the other party the RMA form either through fax or email. RMA forms must be completed in the entirety by the other party to insure prompt service.

Clause 3. RMA shipments received MUST have an RMA number clearly visible on outside of the package and include a packing list with a copy of the original invoice or it may be refused, unopened and returned. Shipping charges are not refundable.

Clause 4. Spectator's standard policy for returnable products (hereinafter mentioned as RMA Returns) is for repair/replacement only. No credits or refunds are provided.

Clause 5. The RMA Returns must be returned to Spectator within ten (10) days after the RMA number has been issued. Returns made after this period will be subject to a fifteen percent (15%) restocking fee.

Clause 6. All Returns MUST BE PACKAGED IN THE ORIGINAL BOX AND PACKAGING MATERIAL THAT IT WAS RECEIVED IN. Should the product be returned to Spectator and if it is received without its original box and packaging, Spectator's warranty will be voided.

Clause 7. The RMA Returns must be a Spectator product, the product specified on the RMA form. Otherwise the RMA will be void and product will be returned.

Clause 8. Upon receipt of RMA Returns, Spectator will verify with the other party the RMA products received are those as specified on the RMA form.

Clause 9. The RMA Returns is to be packed in original condition including packaging, documentation, manuals, and accessories. Returns that do not include all the accessories may be returned to the other party or charged on a per item basis. No exchanges will be authorized for any packages returned without an RMA number from Spectator. The other party assumes responsibility for the product until receipt at Spectator, shipping via an insurable carrier is recommended. Any unauthorized shipping charges will be billed to the customer or shipment will be refused.

Clause 10 Spectator will provide replacements for all units found to be defective due to default in materials or defaults regarding workmanship. All returns will be processed after they arrive in Spectator's warehouse and will be fully inspected before an exchange is issued. The other party will be notified of the finish status of the product before it is returned.

Clause 11. Any product found by Spectator to be damaged through misuse, abuse or negligence is not eligible for warranty replacement.

Clause 12. If, upon receipt, the package is found to be damaged or tampered with, the other party must notify Spectator within five (5) days. Spectator will then file a freight damage claim with the carrier involved.

Clause 13. Under normal operation, RMA Returns will be repaired/replaced with new parts within 10 days after receipt at Spectator then return to customer.

Clause 14. Software cannot be returned.

Article 18. Liability

Clause 1. Without prejudice to what was stated in the previous articles of these general conditions, Spectator is never liable for any damage whatsoever, with the exception of intent or gross negligence on the part of the management or executive employees of Spectator.

Clause 2. Without prejudice to what was stated in the previous clause, every liability of Spectator for damage to business or any other indirect damage is expressly excluded.

Clause 3. Without prejudice to what was stated in the previous clauses, in case of possible liability of Spectator, any obligation for compensation by Spectator will always be limited to the maximum amount payable under the conditions of the liability insurance of Spectator in the case concerned.

Clause 4. Without prejudice to what was stated in previous clauses, every right to a claim against Spectator made by the other party expires six months after the damage occurred or started.

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Article 19. Indemnity

Clause 1. With the exception of intent and/or gross negligence on the part of the management or executive employees of Spectator, the other party is bound to compensate Spectator for all costs, damage and interests, which might arise for Spectator as a direct or indirect result of legal claims, including claims with regard to any product liability regulation which are brought against Spectator by third parties in connection with or as a result of carrying out the agreement. The other party is bound under the terms of the agreement to comply with a call for indemnity from Spectator.

Clause 2. The other party indemnifies Spectator for all costs, expenses or losses resulting from the violation of patents, intellectual rights of ownership and/or trademarks resulting from the execution of a design, specifications or instructions from the other party. The other party will immediately inform Spectator of any action or threatened action on the basis of such a supposed violation and the other party will offer Spectator the possibility to take part in a possible action and/or defence against any claims by third parties in the case.

Article 20. Deferment and annulment

Clause 1. Without prejudice to what was stated in the previous articles concerning deferment and annulment, Spectator has the right, if the other party fails to meet one of its obligations resulting from the agreement made between the other party and Spectator or fails to meet it on time, if there is serious doubt as to whether the other party can meet its obligations resulting from the aforementioned agreement, in case of bankruptcy, suspension of payment, receivership, closure, liquidation of the other party, partial or complete transfer, or (undisclosed) pledging of its business or of an important part of the means of business or business claims, either without proof of default or legal interference to defer the agreement for six months, or to annul it, in so far as this has not already been done, in which case the right of Spectator to compensation for damage and/or lost profits remains unimpeded.

Article 21. English text is binding

In case these general conditions are or have also been produced in a foreign language, in case of any deviation from the English text or in case of a difference of opinion regarding the interpretation of any condition, the English text will always be decisive.

Article 22. Disputes/ applicable law

Clause 1. Dutch law applies to all agreements to which these conditions entirely or partly apply, without prejudice to or limitations of any other rights or remedies available under the laws of any jurisdiction where property or assets of the other Party may be found.

Clause 2. Subject to opposing imperative judicial provisions, all disputes will be settled by the District Court of Maastricht, without prejudice to Spectator's right to involve the other party in legal proceedings at the otherwise competent judge.