

Promo Bears General Terms & Conditions

The following is an agreement by and between Promo Bears and the Client

This agreement is effective immediately as of the account activation date.

Article 1

Definitions

- The client is referred to as the person who has given orders for products and services from Promo Bears.
- Promo Bears B.V is referred to as Promo Bears, the supplier of products and services to the client, included but not limited to plush toys, mascots, 2D give aways and unique character design.
- Account activation is effective immediately once an order is confirmed based on the request from the client to Promo Bears to provide paid products and services. This confirmation can be either payment of an invoice or when Promo Bears accepts a client's Purchase Order. An official Order Confirmation from Promo Bears will additionally outline the agreement between Promo Bears and the client and be provided based on receipt of invoice or a client Purchase Order.
- This agreement is referred to as the request from the client to Promo Bears to provide paid products and services.

Article 2

Deviating from Terms and Conditions

- These terms and conditions are valid for all quotes, agreements and supply of Promo Bears unless they have been declared completely or partially non applicable on paper.
- Terms and conditions used by the client which are in conflict with these terms and conditions are not applicable unless they have been agreed upon on paper by Promo Bears
- In the case that any of these terms are deemed illegal or unenforceable by a court in the appropriate jurisdiction all other terms remain in full effect.
- Promo Bears reserves the right to change their terms and conditions at any time. Promo Bears will only make reasonable changes and will inform client with written notice of change. This agreement may be terminated by either party without cause, by giving the other party 30 days written notice sent by email, fax, or mail. The client is still responsible for all fees and charges incurred for any outstanding production. Prepaid fees shall not be refunded by Promo Bears unless they exceed the amount owing for services and production. Notwithstanding the above, Promo Bears may terminate service under this agreement at any time with immediate effect and without penalty, if the client fails to comply with any of the terms in this agreement.

Article 3

Quotes

- All quotes are free of charge and without obligation unless stated differently in the quote itself.
- Promo Bears will send the quote to the client before starting production. If there is an inevitable deviation from the quote during the production, Promo Bears will inform the client as soon possible.
- Exceeding the quote by up to and no more than 10% is accepted as a budget risk by the client, the client is expected to anticipate that this may occur and pay if necessary.
- Excess owing beyond the quote is only applicable if the cause is something specific to the

clients order. Examples include, but are not limited to: change in material costs, details requested, and change in shipping cost.

Article 4

Prices, delivery, and payments

- All prices include tax, shipping and transportation unless explicitly stated differently.
- Promo Bears reserves the right to charge changes in prices which have been taken place after the order is confirmed.
- Promo Bears reserves the right to ship packages either from our established location or directly from a third-party supplier.
- All payments can be made to a bank account number indicated by Promo Bears or by credit card. Payments by credit card incur an added processing fee which will be stated on the invoice.

Article 5

Agreements and alterations

- An agreement is activated as soon as an invoice is paid or when Promo Bears accepts a client's Purchase Order.
- Any changes in the assignment, after the agreement is activated, will be reported to the client in a timely manner and on paper.
- If changes in the design and product are deemed necessary by the expertise of Promo Bears, the client trusts that Promo Bears is operating in good faith and thus accepts these changes without hesitation. Promo Bears is obligated to inform clients of the changes that happened and a reasonable explanation.
- The client accepts that alternations to the assignment can happen at any time
- Any additional or detective cost as a result of alterations in the assignment, are solely at the expense or in favor of the client.
- Alterations in the assignment, if necessary, may result in a later delivery date than originally agreed upon.

Article 6

Hiring Third Parties

- In cases considered necessary at Promo Bears judgment, Promo Bears has the right to order goods and/or services from third parties at the expense of the client.

Article 7

Terms of Payment

- Payment should be made, regardless of what is determined below, within the time frame set in the invoice, in the case such time is not specified then payment is due within thirty days after the invoice is received.
- Promo Bears will ensure that the invoice is sent on time. Partial invoicing is always possible, unless explicitly excluded on paper.
- Promo Bears, regardless of the agreed terms of payment has the right to secure payment by asking for a bank guarantee.

- In the case that the client does not meet the payment obligations within the time frame agreed upon, interest is owed – without previous demanding notice or proof of default – on the invoice amount starting from the day the invoice should have been paid. The interest is one twelfth of the current legal interest plus 2% for every month (or partial month) in excess of the payment date.
- All costs legal, or non legal, concerning the collection of the amount due by the clients and not paid in time are at the expense of the client.

Article 8

Deferment, cessation and annulment

- Promo Bears owns the right to annul or cease further completion of an assignment in the case the client does not respect the terms of payment and/or cannot deliver the required bank guarantee.
- Promo Bears has the right to cease without legal intervention all agreements between Promo Bears and the client for as far as they have not been completed in the case that the client does not meet their financial obligations in time or properly.
- The results of suspension, cessation and or annulment are at the full risk of the client.
- Suspension, cessation and/or annulment leaves payment obligations unimpeded for the activities already concluded. Moreover, Promo Bears has the right to claim damages with the client as well as costs and interest caused by the client's failure to cause by the annulment of the agreement including deprived income from Promo Bears.
- The indicated delivery times are only an estimation. Unless explicitly agreed on paper, in the case of a rush order, Promo Bears accepts no responsibility of guarantee concerning the agreed delivery time and ultimately delivery.
- In the case of a late delivery, Promo Bears does not give the client any right to claim damages, annul the agreement or to not to respect any obligations towards Promo Bears.
- The delivery time, as indicated by Promo Bears is valid originally, but the client understands that that it is solely based on the prevailing work circumstances at the moment of making the agreement.
- In case delay arises as a result of an alteration of activities or because products which have been ordered in time cannot be delivered in time by third parties, the delivery time is postponed at a reasonable duration of the delay. A reasonable excess of the first agreed delivery time respecting all circumstances does not give the client the right to cancel or annul the agreement with the supplier.

Article 9

Duty to Maintain

- Promo Bears will respect the client's interest with the greatest care during the completion of the activities for the client

Article 10

Reliability and protection of third parties

- The reliability for activities in favor of Promo Bears, which Promo Bears has passed onto third parties, is limited to as far as the third party effectively frees Promo Bears. Promo Bears will do everything or offer

all the support to clients which need to be required to obtain a claim of damages from third parties as high as possible in any case.

- The client frees Promo Bears from all damages, claims caused by third parties concerning produced goods or services supplied at the client's request which have been delivered.

Article 11

Exoneration

- In case a complaint concerning the delivered goods and or services is considered founded and Promo Bears responsibility is determined, Promo Bears will either at his choice pay compensation of at the most the invoice value of that which has been delivered, or replace that which has been delivered for free, after the originally supplied goods have been returned back to him. Promo bears is never obliged to pay any further damages.
- Promo Bears responsibility for direct damages resulting from failures in the goods or services supplied by Promo Bears is in any case limited to the amount of the service fee reduced by out-of-pocket costs concerning the goods or services delivered.
- Promo Bears is never responsible for indirect damages.
- The client disassociates with his right to claim or annul an agreement based on any Promo Bears malfunctioning.
- Promo Bears is not responsible for damage, loss or destruction of objects, materials or data, which have been made available to him by or in name of the client.
- Goods sent to Promo Bears or designated third parties move at the risk of the client.
- Client expressly agrees that use of Promo Bears services is at Client's sole risk. Neither Promo Bears, its officers, directors, employees, affiliates, agents, third party logistics providers, contractors, merchants, licensees nor the like make any warranty whatsoever whether expressed or implied. They also disclaim any warranty of merchantability or fitness for any particular purpose beyond what is stated in the quote. Under no circumstances, including their negligence or gross negligence, shall Promo Bears its officers, directors, employees, affiliates, agents, contractors, third party information providers, merchants licensees or the like be liable for any direct, indirect, incidental, special, consequential or any other type of damages whatsoever. Client hereby acknowledges that this paragraph shall also apply to all goods and services provided by Promo Bears. Notwithstanding the above, Client's exclusive remedies for all damages, losses and causes of actions whether in contract, tort including negligence, gross negligence, putative conduct or otherwise, shall not exceed the aggregate dollar amount which Client paid during the Original Term of this Agreement
- Client agrees that he shall defend, indemnify, save and hold Promo Bears harmless from any and all demands, liabilities, losses, costs and claims, including reasonable attorneys' fees ("Liabilities") asserted against Promo Bears, its agents, its customers, servants officers and employees, that may arise or result from any service provided or performed or agreed to be performed or any product sold by Client, its agents, employees or assigns.
- Client agrees to defend, indemnify and hold harmless Promo Bears against Liabilities arising out of (i) any injury to person or property caused by any products or information sold or otherwise distributed in connection with Promo Bears services; (ii) any material supplied by Client infringing or allegedly infringing on the proprietary rights of a third party; (iii) copyright infringement, (iv) any improper use of

the Client's product(s) under any circumstances, and (v) any defective product or service which Client sold via Promo Bears services.

If the Client fails to comply with any terms of this Agreement, it shall be fully responsible for the cost of labor and any and all other costs (erg. losses or legal expenses) incurred by Promo Bears in order to rectify the damage caused and due to the damage caused by the Client or via improper use of the Client's account(s).

Article 12

Lawful Purpose

- Client may only use Promo Bears services for lawful purpose. Submission of any materials in violation of any Federal, State or Local law or regulation is prohibited. This includes, but is not limited to trademark or copyright infringement, material that is, obscene, profane, or material protected by trade secrets of others.
- Should the Client have unlawful intentions, the client hereby releases Promo Bears of any consequences or damages caused by the client's unlawful conduct as Promo Bears will assume that all clients have lawful intentions.

Article 13

Force majeure

- In the case that Promo Bears cannot complete or can only partially deliver the products and services agreed upon due to force majeure, Promo Bears has the right to postpone the agreement without further legal advice or to consider the agreement annulled or partly annulled, at his choice, without being responsible for any damage claims or guarantees.
- Force majeure in this case means: cessation, exclusion, fire, machine breakdown and other company failures, either at the Promo Bears, transport obstructions and other events out of Promo Bears control, such as war, blockage, uproar, epidemics, devaluation, floods and storms, as well as sudden increases in import right, import fees and taxes, delay in or no delivery by suppliers, not obtaining the necessary permits and other governmental measures.

Article 14

Reselling

- Client is allowed to resell the products manufactured by Promo Bears, provided that Client's customers acknowledge, to Promo Bears satisfaction, that Promo Bears has disclaimed all warranties and is not subject to liability or damages of any kind.
- Client agrees to handle and is responsible for all third-party customers' products, delivery, returns and Promo Bears agrees to reseller pricing as described in our quotations. Client agrees to having the necessary knowledge and skill level for reselling services provided, including providing product support to its customers.
- Client allows Promo Bears to display its work, and retain samples for the sole purpose of generating new business.

Article 15

Intellectual ownership

- By ordering publication or multiplication of objects that is copyrighted by a third-party or any other legal arrangement in the field of intellectual ownership, which have been made available by or in the name of the client, the client declares legal prescriptions will not be violated and he frees Promo Bears

from any claims from third parties or the direct and indirect consequences, financially as well as other, resulting from the publication or multiplication.

- Intellectual ownership and materials, coming from services, will be transferred to the client at the moment of ending the concerning cooperation between client and Promo Bears, as far as they belong to Promo Bears and thus can be transferred, after all that is due from client to Promo Bears has been paid – including any potential development costs and intellectual ownership rights. As far as intellectual ownership of third parties are involved, Promo Bears will consult the client at the request of the client before contacting third parties, if complete transfer is desired and or possible, keeping in mind the costs it involves.

- Promo Bears will in accordance with the terms of exoneration of Article 16 of these terms and conditions, free the client from claims from third parties, in case the client should violate any rights of industrial or intellectual ownership by using what has been supplied. The client is obliged to send written information within 48 hours in case of a claim by a third party, and if required supply all information and cooperate where necessary for legal defense and/or settlement negotiations.

Article 16

Delivery and duties

- No party has the right to hand over the rights and duties coming from the agreement made under these terms to third parties, except after previous written consent from the other party.
- In case the (relevant activities of the) client's company is, for whatever reason and in whichever way, combined with or continued in another company, a several liability arises as far as meeting the obligations mentioned under 1 for the original and consecutive companies.

Article 17

Authorized legal judge

- Promo Bears is headquartered in the Netherlands and thus only the Dutch law applies to all agreements made under these terms or any agreements based on them. All legal disputes coming from agreements made under these terms and conditions, can only appear before court with an authorized judge in the court district where the supplier is established, including obtaining provisional requirements.

