

GENERAL TERMS OF PARTICIPATION (A)

MunichExpo Veranstaltungs GmbH (MEV)

As of December 2003

A 1 Application

All potential exhibitors wishing to take part in the event must express their wish to do so by fully completing and signing the "Application" form and submitting it to MEV by the application deadline (see B1). With the application, exhibitors express to MEV their serious interest in taking part in the event as exhibitors. All exhibits must be described precisely on the application form. Co-exhibitors and additionally represented companies must be named on the application form. The same particulars must be specified as for the exhibitor. Incomplete applications cannot be considered. This application procedure does not apply to organizers of joint stands. They are not exhibitors as defined by the Terms of Participation.

A 2 Eligible exhibits and exhibitors

The exhibitor accepts that the Terms of Participation A and B and the Technical Guidelines are legally binding as soon as an application has been submitted. MEV sends the exhibitor a written offer of a stand (location). The exhibitor must accept this offer within the set time limit. The exhibitor's acceptance of the offer of a stand represents his contractual offer, from which the exhibitor cannot withdraw once it has been received by MEV. The contract for the stand space rental and participation in the trade fair or exhibition takes effect only when the exhibitor is admitted by MEV. MEV's notice of admission is, at the same time, its acceptance of the exhibitor's contractual offer, which is possible up to the beginning of the event.

Exhibitors do not have a legal claim to admission unless such a claim results from the law. Exhibitors who have not fulfilled their financial obligations to MEV, e.g., in respect of previous events, or have infringed the regulations governing the use of the New Munich Trade Fair Centre or the terms of participation, may be excluded from admission.

MEV is entitled to withdraw from the contract or to terminate the contractual relationship without notice if admission was based on incorrect or incomplete statements by the exhibitor, or if, at a later date, the exhibitor no longer fulfills the conditions for admission.

Only declared and admitted articles shall be exhibited. MEV has the right to remove any other exhibits at the exhibitor's risk and expense.

Hired or leased articles shall not be exhibited. MEV is entitled to remove such objects at the exhibitor's risk and expense. An exception is made in the case of objects which are not part of the exhibitor's range of goods, but which are required for their display (e.g. for demonstration purposes).

Co-exhibitors shall not be admitted, nor additional organizations represented, unless expressly specified in the notice of admission.

MEV reserves the right to deviate from the type, size, and location of the exhibition area desired by the exhibitor, to exclude certain exhibits from admission, and to impose conditions on admission. The exhibitor's reservations, conditions, and particular wishes (e.g. regarding location, exclusion of competitors, stand construction or design) will be taken into account only if expressly confirmed in the notice of admission.

Space will be allocated according to MEV's requirements and the prevailing conditions, and in accordance with the classification system for the trade fair as applied by MEV at its own discretion, and not according to the order in which applications are received.

A 3 Rental contract

The rental contract comes into force when MEV has notified the exhibitor in writing that he is admitted. This generally occurs when layout planning has been completed.

The allocation of the other stands, in particular of neighbouring stands, can change by the time the trade fair opens. MEV is also entitled to relocate or close entrances to and exits from the trade fair grounds and halls, and to make other structural alterations. Exhibitors cannot make claims against MEV because of such changes. MEV may also subsequently, i.e., after the rental contract has come into force, change space allocations, and in particular change the location, type, dimensions and size of the exhibition area rented by the exhibitor, insofar as this is necessary for reasons of safety or public order, or because the trade fair is oversubscribed and further exhibitors must be admitted or because changes in assignments of exhibition space ensure that the facilities and space required for the trade fair are used more efficiently. However, such subsequent changes may not exceed the scope which the exhibitor can reasonably be expected to accept. Should such subsequent changes result in a lower participation fee, the difference in amount will be refunded to the exhibitor. Further claims against MEV are excluded. If exhibitors cannot use their stand space or are impaired in the use of their stand because they have infringed legal or official regulations or the Terms of Participation A and B or the Technical Guidelines, they are nevertheless obliged to pay the participation fee in full and to pay MEV compensation for all damage caused by themselves, their legal representatives or employees; exhibitors are not entitled to cancel or terminate the contract unless the law specifically entitles them to do so.

A 4 Co-exhibitors and additionally represented companies

A co-exhibitor is one who presents his own goods or services, using his own staff, at the stand of another exhibitor (the main exhibitor). This definition includes group companies and subsidiaries. Agents and representatives are not admitted as co-exhibitors.

In the case of an exhibitor, an additionally represented company is any other company whose goods or services are offered by the exhibitor.

Admission of the exhibitor does not mean that a contract exists between MEV and the co-exhibitors or other companies he represents. Co-exhibitors are admitted against payment. This also applies to additionally represented companies if specified in the Special Terms of Participation B. The exhibitor must make this payment. The amount can also be invoiced subsequently by MEV.

The exhibitor is responsible for ensuring that his co-exhibitors and other companies he represents comply with the Terms of Participation A and B, the Technical Guidelines as well as the instructions of the Trade Fair Management. The exhibitor is liable for the debts and negligence of his co-exhibitors or additionally represented companies as if they were his own. If co-exhibitors

make direct use of MEV services, MEV is entitled to invoice the exhibitor for these services. He is jointly and severally liable.

The exhibitor may not move, exchange or share his stand, nor surrender it either in part or in whole to third parties, without MEV's prior written consent.

A 5 Cancelling the contract

If the location, type, dimensions or size of the exhibition area rented by the exhibitor are subsequently changed so much that the exhibitor can no longer be reasonably expected to accept the exhibition area, the exhibitor is entitled to withdraw from the rental contract within one week of receiving written notification by MEV. Otherwise, apart from the statutory rights to withdraw from the contract, the exhibitor has no right to withdraw from this contract. If the exhibitor states that he is withdrawing from the contract, this means – regardless whether he has the right to withdraw from the contract or not – that he is renouncing once and for all his intention to take part in the trade fair. If the exhibitor states that he is withdrawing from the contract and thus renounces once and for all his intention to take part in the trade fair, MEV is entitled to re-let the stand area or use it itself without being obliged to do so, even if the exhibitor has no right to withdraw from the contract. If the exhibitor has stated that he is withdrawing from the contract, although he has no right to do so, the exhibitor is obliged to pay the participation fee. However, MEV must allow as a credit the value of the expenses saved and the advantages it has gained by re-letting or otherwise using the exhibition area; the exhibitor cannot invoke Section 537 Para 2 BGB (German Civil Code). In addition, the exhibitor must pay 25% of the agreed participation fee as flat-rate compensation for expenses incurred by MEV because the exhibitor has withdrawn from the contract without being entitled to do so and has thus, contrary to his duty, cancelled his participation in the trade fair. MEV's right to claim further damages remains unaffected. The exhibitor can demand that the flat-rate compensation be reduced if he proves that MEV has sustained less damage.

MEV is entitled to withdraw from the contract if the exhibitor fails to meet his financial obligations to MEV on time, MEV has extended the deadline by 5 days and this deadline for payment has not been met. MEV is also entitled to withdraw from the contract if the exhibitor neglects his duty arising from this contract to respect MEV's rights, objects of legal protection and interests and MEV can no longer reasonably be expected to adhere to the contract. In the aforementioned cases MEV is entitled not only to withdraw from the contract but also to demand from the exhibitor the agreed participation fee as flat-rate compensation. MEV's right to claim further damages remains unaffected. The exhibitor can demand that the flat-rate compensation be reduced if he proves that MEV has sustained less damage.

A 6 Force majeure, cancellation of the event

If MEV is compelled, as a result of force majeure or other circumstances beyond its control (e.g., failure of the power supply), to vacate one or more exhibition areas, temporarily or for longer periods, or to postpone or curtail the trade fair, the exhibitors do not thereby acquire the right to withdraw or cancel, nor do they have any other claims against MEV, in particular claims for damages.

If MEV cancels the event because it cannot hold the event as a result of force majeure or other circumstances beyond its control, or because it has become unreasonable for MEV to hold the event, MEV is not liable for damages and disadvantages to exhibitors arising from the cancellation of the event.

A 7 Participation fees, lien

The participation fees are calculated in accordance with the rates specified in the Special Terms of Participation (see Part B "Participation fees"). Each square metre or part thereof will be included in full in the calculation, the floor area always being considered rectangular, without taking account of projections, supports, service connections and the like. In accordance with the Special Terms of Participation (see Part B "Advance payment for services"), a lump-sum advance payment will be levied for services (eg, electricity, water, telephone connections, technical services, lettering, supply of electricity, water, etc), which the exhibitor can use at his stand, provided they have been ordered previously and in good time as specified in the Exhibitors' Service Booklet, regardless of the existence or size of an order. The advance payment for services does not include stand construction and publishing services (catalogue entries, Internet services, etc.) If the actual costs of the services exceed the advance payment for services, the exhibitor will be charged the difference between the actual costs of the services and the advance payment in the final invoice several weeks after the end of the event. Payment is due immediately upon receipt of the invoice. If the advance payment for services exceeds the actual costs of the services, the exhibitor will be refunded the difference between the advance payment and the actual costs of the services several weeks after the end of the event. The exhibitor has no claim to interest on the advance payment for services.

The exhibitor will usually receive the invoice for the participation fee, with which the advance payment for services is also levied, together with notice of admission. Notice of admission and invoice are combined in one printed form.

The participation fee, the advance payment for services and the fee for admitting co-exhibitors must be paid before occupying the exhibition area. If exhibitors have ordered MEV services, MEV is entitled to withhold such services, including the supply of electricity, water, compressed air, etc., until the exhibitor has fulfilled his financial obligations to MEV. This applies in particular to obligations arising from previous events. Terms and conditions of payment are in accordance with the Special Terms of Participation (see Part B "Terms and conditions of payment"). MEV reserves the right to enforce the lessor's lien, as permitted by law, in order to secure its claims arising from the rental. The exhibitor must inform MEV at any time about the ownership of articles, which are exhibited or to be exhibited. If an exhibitor does not meet his financial obligations, MEV can detain the exhibits and stand fittings and, at the exhibitor's expense, sell them at public auction or privately. The legal provisions on the realisation of the pledge are – as far as permitted by law – excluded. MEV does not accept liability for damage to exhibits and stand fittings detained under this clause, unless MEV is guilty of intent or gross negligence. Upon the exhibitor's special application, MEV can agree to invoice a third party for the participation fee, the fee for admitting co-exhibitors and prices for services.

This is possible only if the third party undertakes to assume financial obligations or debts vis-à-vis MEV and MEV agrees with this.

A 8 Warranty

Complaints about any defects in the stand or exhibition area are to be made in writing to MEV immediately on occupying the exhibition area, and at the latest on the last day for stand assembly, so that MEV can remedy such defects. Later complaints cannot be considered and cannot give rise to claims against MEV.

A 9 Liability and insurance

MEV is liable for personal injury (damage arising from injury to life, body or health) caused by neglect of duty for which MEV, its legal representatives or employees are responsible, as well as for other damage caused by intentional or grave breach of duty by MEV, its legal representatives or employees. MEV is also liable for any damage caused by grave breach of cardinal duties by MEV, its legal representatives or employees. In these cases MEV is liable only if the damage is typical damage and not consequential damage and then only up to 5 times the net participation fee, at most, however, EUR 100,000 per claim. This limitation of liability applies only to entrepreneurs, legal persons under public law or special funds under public law. If the exhibitors are entrepreneurs, legal persons under public law or special funds under public law, MEV is under no circumstances liable for damage to or loss of goods brought to the trade fair by the exhibitor or the stand fittings or furnishings. In this case, it is immaterial whether such damage or loss occurs before, during or after the trade fair. The same applies to vehicles left on the trade fair grounds by exhibitors, their employees or representatives.

Exhibitors for their part are liable for any culpable damage to persons and property caused by themselves, their employees, their representatives, their exhibits or equipment. A leaflet on the scope and cost of insurance and application forms will be sent to exhibitors in good time. Each exhibitor is required to take out insurance which includes transport and exhibition risks, including theft and third-party liability by an insurance company licensed in the European Union, and to pay the premiums due (including insurance tax) in good time.

A 10 Photography, filming, video recording, and sketching

Only persons authorised by MEV and in possession of a valid MEV pass may film, photograph, or make sketches or video recordings in the exhibition halls. Under no circumstances may photographic or other images or recordings be made of other exhibitors' stands. If this rule is infringed, MEV can demand that the recorded material be surrendered and take legal steps to achieve this end. Photographs of stands which are to be taken outside normal opening hours and need special lighting require MEV's prior consent. Such photographs require the main ring circuit to be switched on by the hall electrician. The exhibitor will be charged the costs incurred, insofar as they are not borne by the photographer.

MEV is entitled to have photographs, drawings, films and video recordings made of events at the trade fair, of stands and exhibits, and to use them for advertising or general press publications.

A 11 Catering, deliveries to stands

The caterers appointed by MEV are responsible for all catering within the trade fair grounds. Deliveries of beer or other beverages may be made only by companies contracted to MEV.

If exhibitors wish to offer food and beverages in accordance with section 12 of the German Law on Hotels and Restaurants (Gaststättengesetz), they must apply to the city authorities for permission: Kreisverwaltungsreferat München, Ruppertstr. 19, 80313 München, Germany. Only a limited number of deliveries may be made to the exhibition stands. MEV is entitled to permit deliveries to stands only at certain times.

A 12 Industrial property rights

MEV expects exhibitors to respect the industrial property rights of other exhibitors. If it is proved to MEV, by presentation of a court decision, that an exhibitor has infringed the industrial property rights of another exhibitor with the articles on display, printed papers, advertising materials, or otherwise, then MEV is entitled, although not obliged, to remove from the offender's stand the exhibits, printed matter, or advertising material causing such infringement and to impound them until the end of the trade fair, to close the offender's stand, and/or to expel him and his staff from the trade fair grounds. MEV is also entitled to exclude the offender from future trade fairs. If such measures prove unjustified, no claim for damages can be made against MEV, unless the latter is guilty of gross negligence or wrongful intent.

A 13 Workers' and exhibitors' passes

Exhibitors will receive free workers' passes made out in the names of their own and hired workers employed to assemble and dismantle the stands. These passes are valid only during trade fair assembly and dismantling and do not entitle holders to enter the trade fair grounds during the event. Workers' passes must not be given or lent to unauthorised persons. Unauthorised persons are all third parties who do not have a permanent or temporary work contract with the exhibitor. For the duration of the trade fair, exhibitors will receive the number of free exhibitors' passes specified in the Special Terms of Participation. Additional exhibitors' passes are available against payment. Each exhibitor's pass is made out in the bearer's name. It cannot be transferred. Exhibitors' passes must not be given or lent to unauthorised third parties, e.g., to persons or companies wishing to offer goods or services within the trade fair grounds without MEV's permission. Workers' and exhibitors' passes will only be issued if all accounts due to MEV have been cleared,

above all in respect of the payment of the permit invoice and the fee for stand construction services.

A 14 Assembly, staffing and dismantling of stand

The dates for assembly and dismantling, specified in the Special Terms of Participation, must be observed. Stands not occupied by the last day for assembly may be disposed of as MEV sees fit. Exhibitors admitted to the fair undertake to participate in the event. The stand must be properly equipped and staffed by qualified personnel throughout the trade fair during the prescribed opening hours. Particular attention should be paid to ensuring that the stand is already fully staffed when the trade fair opens. Exhibitors are not permitted to remove trade fair goods or dismantle their stands before the trade fair closes. If they break this rule, MEV is entitled to demand a penalty of EUR 500.

MEV is entitled to exclude from future trade fairs any exhibitor whose stand is staffed by insufficiently qualified personnel during the trade fair's opening hours, who exhibits an incomplete range of goods or goods not admitted to the trade fair, who vacates or clears his stand before the end of the trade fair, or who otherwise infringes the Terms of Participation, without prejudice to MEV's right to cancel the contract in accordance with Section A 5 or to a claim for all costs thereby incurred by MEV.

A 15 Verbal agreements

All verbal agreements, individual and special arrangements are valid only with MEV's written confirmation.

A 16 Regulations for use

Exhibitors must observe strictly the regulations governing the use of the trade fair grounds (New Munich Trade Fair Centre). Exhibitors are not permitted to spend the night in the halls or on the open-air grounds. Exhibitors must take the other participants in the event into consideration, must not act contrary to public policy and must not misuse their participation in the event for ideological, political or other purposes which have nothing to do with the event.

A 17 Statutory period of limitation

All the exhibitor's claims against MEV arising from the stand rental, and all legal proceedings in connection therewith, lapse after a period of six months from the end of the month in which the closing date of the fair falls.

A 18 Place of performance, applicable law

If the exhibitor is a trader, legal person under public law or special fund under public law, Munich shall be the place of performance, also for all financial obligations. Only German law shall apply.

A 19 Jurisdiction, arbitration agreement

The following shall apply to exhibitors with their principal place of business within the Federal Republic of Germany:

If the exhibitor is a trader, legal person under public law or special fund under public law, the Munich courts shall have jurisdiction. MEV is also entitled, if it so wishes, to bring an action against the exhibitor at the court which has jurisdiction at the exhibitor's principal place of business.

The following shall apply to exhibitors with their principal place of business outside the Federal Republic of Germany but within the area of application of Regulation (EC) No. 44/2001, the EC Convention on Jurisdiction and the Enforcement of Judgments in Civil and Commercial Matters and the Lugano Convention:

If the exhibitor is engaged in a trade or business and does not fall under the general jurisdiction of the Federal Republic of Germany, the Munich courts shall have jurisdiction for all disputes arising from or in connection with this contract. MEV is also entitled, if it so wishes, to bring an action against the exhibitor at the court which has jurisdiction at the exhibitor's principal place of business.

The following shall apply to exhibitors with their principal place of business outside the Federal Republic of Germany and outside the area of application of Regulation (EC) No. 44/2001, the EC Convention on Jurisdiction and the Enforcement of Judgments in Civil and Commercial Matters and the Lugano Convention:

All disputes arising from or in connection with this contract whose value does not exceed EUR100,000.00 shall be decided by the Euroarbitration of the European network REAM. The court of arbitration of the Italian Chamber of Commerce in Munich shall be the arbitration centre. Arbitration proceedings shall be held in Munich and conducted in German. A sole arbitrator shall decide on the dispute as seems fair and reasonable. The parties undertake to abide by the arbitral award.

Disputes exceeding a value of EUR100,000.00 shall be subject to the arbitration of the court of arbitration of the Italian Chamber of Commerce in Munich with its rules of arbitration. Arbitration proceedings shall be held in Munich and conducted in German. A sole arbitrator shall decide on the dispute as seems fair and reasonable. The parties undertake to abide by the arbitral award.

– In case of divergence between the English and the German text, the German shall prevail.