

GENERAL TERMS AND CONDITIONS

GENERAL CONTRACTUAL TERMS AND CONDITIONS OF SZIGET KULTURÁLIS MENEDZSER IRODA KORLÁTOLT FELELŐSSÉGŰ TÁRSASÁG [SZIGET CULTURAL MANAGEMENT OFFICE LIMITED LIABILITY COMPANY] ON SPONSORSHIP

Effective: as of 15 December 2014

I. PURPOSE AND SUBJECT OF THE GENERAL TERMS AND CONDITIONS

1./ The Parties state that the purpose of these General Terms and Conditions (hereinafter: GTC) is to lay down the general set of conditions for sponsorship of events (Sziget Festival, VOLT Festival, MasterCard Balaton Sound, Gourmet Festival, Gyerek Sziget) organised by Sziget Kulturális Menedzser Iroda Korlátolt Felelősségű Társaság [Sziget Cultural Management Office Limited Liability Company] (H-1033 Budapest, Hajógyári sziget, lot number 23796/58., company register no. 01-09-263756, tax number: 10837410-2-41) (hereinafter: Sziget), including establishing the detailed rules on the legal relationship between Sziget and the sponsor of the given event (hereinafter: Sponsor) in a manner accessible to the Sponsor. These GTC detail the general terms and conditions of the legal relationship to be established between Sziget and the Sponsor, the rights and obligations of Sziget and the Sponsor (hereinafter collectively: the Parties), and other substantial questions concerning sponsorship.

2./ The Parties shall specify the festival which the Sponsor wishes to sponsor (hereinafter: Event), the degree of the sponsorship, consideration for the sponsorship, other individual provisions and any deviations from these GTC in the individual sponsorship agreement that the Parties are to conclude (hereinafter: Individual Agreement; hereinafter the GTC and the Individual Agreement collectively: Agreement).

3./ The legal relationship between the Parties will be established upon conclusion of the Individual Agreement by the Parties and will be governed by the terms and conditions of these GTC. Sziget is obliged to make the GTC available to the Sponsor prior to conclusion of the Individual Agreement in order that the Sponsor may peruse and accept the GTC. The GTC shall be deemed to have been made available if the address for accessing the GTC online is provided. The Sponsor is obliged to familiarise itself with the provisions of the GTC and to state its acceptance of them in the Individual Agreement. The Parties state that pursuant to Section 6:80 of the Hungarian Civil Code, if there is any conflict between any provision of the Individual Agreement and these GTC, the provision of the Individual Agreement will take precedence.

4./ *The Parties state that the present text of the GTC as amended from time to time will come*

into effect on 15 December 2014 and its provisions will be applicable to Individual Agreements concluded as of that date. The text of the GTC effective on the date of concluding the given Individual Agreement will remain applicable to Individual Agreements concluded prior to 15 December 2014 if performance has not been completed by 15 December 2014.

II SZIGET'S FUNDAMENTAL RIGHTS AND OBLIGATIONS

- 1./ Sziget undertakes to organise and run the Event. Sziget shall ensure that the Event is held in a circumspect manner, with application of due safety measures. Sziget expressly reserves the right to modify the concept and programme (nature of the Event, quality and/or structure of the programmes), providing that the overall level and general perception of the Event is not influenced and also that the interests of the Sponsor are not significantly and verifiably infringed. Sziget reserves the right to modify, transform and further develop the Event and the services and products offered at the Event as necessary from time to time. The Sponsor is not entitled to make any claim against Sziget in regard to such modifications, transformations or further developments.
- 2./ Sziget undertakes to provide the Sponsor and/or the brands specified in the Individual Agreement with the possibility to appear, to the degree and in the form specified in the Individual Agreement, at the site of the Event and on the related online and offline advertising materials (in particular posters, flyers, billboards, press, TV commercials and radio commercials).
- 3./ Sziget undertakes to provide the possibility for hostess promotions and other promotions at the site of the Event to the degree and in the form specified in the Individual Agreement.
- 4./ The Parties state that in the absence of an express provision to the contrary in the Individual Agreement, the Sponsor has no right to set up its own promotional venue (hereinafter: Venue). If the Individual Agreement allows for a Venue to be set up, Sziget shall provide such a possibility to the degree and in the form specified in the Individual Agreement.
- 5./ These GTC do not entitle the Sponsor to use the trademarks, product markings, logos or any property of Sziget that is subject to any other form of industrial property right.
- 6./ The Parties state and the Sponsor acknowledges that it is possible that hospitality units will be located within the borders of the Event that do not constitute part of the Event but can be directly accessed by guests from the site of the Event. Since Sziget is not in a contractual relationship with such units, Sziget does not bear any liability as to what products such units sell and whether or not they comply with the commercial conditions generally prescribed by Sziget.
- 7./ Sziget is entitled to make use of subcontractors and cooperators at the Event even without the permission of the Sponsor.

III THE SPONSOR'S FUNDAMENTAL RIGHTS AND OBLIGATIONS

1./ Fee payment

The Sponsor is obliged to pay the sponsorship fee and other fees agreed in advance and invoiced by Sziget (including but not limited to the fees for ticket purchases and technical services) against an invoice issued by Sziget pursuant to this agreement, by the deadline specified in the Individual Agreement.

2./ Advertising

2.1 The Sponsor is obliged to produce and provide at its own cost the advertising materials, equipment, data and information (including but not limited to logos, graphic designs, information concerning consultations), in impeccable quality by the deadline specified by Sziget. Sziget is obliged to give the Sponsor at least 3 (three) business days for each provision of information. In special cases, with due justification, Sziget is entitled to set a shorter deadline in writing (by email), in which event the given shorter deadline shall be applicable. Sziget shall not bear any liability for damage resulting for failure to meet the deadline. The Sponsor undertakes to deliver the advertising materials to be displayed at the Event to the site related to the Event designated by Sziget. The Sponsor guarantees that the advertising materials to be displayed, equipment, data and information are lawful and that it is licensed to use them.

2.2 The Sponsor warrants that the advertising and other communications materials provided to Sziget pursuant to the Agreement do not infringe the rights and rightful interests of any third parties (including trademark rights, other industrial property rights, personality rights, data protection rights and rights of the deceased), and no third party has any right that hinders their public communication, publication or appearance, and in particular that no third party has copyright or related legal rights to such materials. The Sponsor further warrants that the advertising and other communications materials provided comply with Hungarian law, including but not limited to the provisions of Act CIV of 2010 on the fundamental rules of press freedom and media content, Act CLXXXV of 2010 on media services and mass communications, Act XLVIII of 2008 on the fundamental conditions of commercial advertising and certain restrictions, Act XLVII of 2008 on the prohibition of unfair business-to-consumer commercial practices, Act LVII of 1996 on the prohibition of unfair market conduct and of restriction of competition and Act XCVI of 2001 on the Hungarian-language publication of commercial advertisements, shop signs and certain public-interest announcements, and do not violate any of the prohibitions and restrictions set out therein. In the event that the warranty set out in this section is breached, the Sponsor bears full liability to compensate Sziget if an authority imposes a penalty on Sziget or a third party makes a claim for compensation or any other claim against Sziget related to the breach of the warranty declaration; the Sponsor is obliged to hold Sziget fully harmless with regard to such claims and/or penalties on first demand.

2.3 The Sponsor acknowledges that it may not publish any advertisement that is in violation of the law or the norms of the Hungarian Code of Advertising Ethics. Sziget is not obliged to approve the ordering of advertisements that in Sziget's unilateral view (a) are not in line with the image and spirit of the publication containing the given advertising space; (b) that directly or indirectly infringe Sziget's advertising market interests and/or business interests; and/or (c) cannot be implemented for technical reasons or reasons of space, even if Sziget has previously confirmed them.

2.4 The Sponsor undertakes to agree its creative materials and media plans for the Event with Sziget. The Sponsor is obliged to present, or provide a sample of, all designs for marketing and/or communications materials that it has produced and that are issued pursuant to this agreement no later than 15 (fifteen) days prior to the submission of such marketing and/or communications materials. If within the following 3 (three) business days, Sziget recommends modification of the given material or expressly does not approve it, the Sponsor is obliged to modify it in line with Sziget's comments or, if approval is not given, to replace the material with new material or to discard the material. Sziget's

right to consultation includes but is not limited to ensuring lawfulness and protecting the good reputation of Sziget and the Event.

Sziget is entitled to impose a penalty as specified in Section VI/7 if the Sponsor's communication materials

- a) appear and/or are published in the printed and/or electronic press/media without having been first presented to Sziget; or
- b) are only presented to Sziget at such a time that the right of consultation can no longer be exercised; or
- c) appear and/or are published in the printed and/or electronic press/media without the changes requested by Sziget having been made; or
- d) appear and/or are published in the printed and/or electronic press/media without the agreement of Sziget.

2.5 The Agreement solely applies to products sold by the Sponsor. The Sponsor undertakes to feature only those brands that are specified in the Individual Agreement on those of its advertisements that come under the scope of the Agreement and in respect of its on-site marketing presence at the Event. If the Sponsor features products that (a) have not been agreed in advance with Sziget; or (b) represent competition to any of Sziget's partners, Sziget is entitled to remove the product that has not been agreed or its branding from the site of the Event; the Sponsor is obliged to fully cover any compensation claim made by a third party in this regard and to hold Sziget fully harmless in advance, on first demand.

3./ Venue

3.1 If the Sponsor is entitled pursuant to the Individual Agreement to set up a Venue (construct a building structure, create a promotional venue) at its own cost and liability in the form and to the degree set out therein, the Sponsor is obliged to present the related rendering and concept to Sziget by the deadline set out in the technical policy or in Sziget's written briefing. The Sponsor acknowledges that Sziget will only approve any design that does not conflict with any statutory ban, does not jeopardise the good name of the Event, does not hinder Sziget or any other cooperator (natural or legal person, constructor, operator, supplier or subcontractor in a work relationship, services relationship or other legal relationship for performance of activities, hereinafter collectively: Cooperator) in their activities (e.g. by use of very high sound volume). The Sponsor acknowledges that Sziget has the right to approve of, require changes to and ultimately ban the construction of the superstructure based on the plans presented, should the Sponsor give due cause, including but not limited to in the following cases:

- a) the Venue does not comply with the relevant statutory provisions or technical requirements;
- b) in Sziget's view, the Venue infringes the rightful interests of Sziget, other sponsors and/or Cooperators;
- c) the Venue does not comply with the safety requirements and jeopardises the physical integrity of participants at the Event;
- d) in Sziget's view the Venue does not suit the image of the Event;
- e) the Venue is not built at the location and/or is not of the size agreed in advance with

Sziget's representatives.

If any of the above cases arises following commencement of construction, Sziget is entitled to demolish the superstructure. The Sponsor must bear the costs of demolition and reconstruction.

3.2 The Sponsor expressly acknowledges and agrees that Sziget, as organiser, is entitled to determine and supervise the timing and schedule of the construction work taking place at the Venue. The Sponsor acknowledges that Sziget has the right to request changes in respect of the construction work or ultimately to ban such work, if made necessary by the conduct or failings of the Sponsor in Sziget's view (in particular if it differs from the design specifications, infringes the rightful interests of Sziget, other sponsors and/or the Cooperators, or does not comply with the relevant statutory, technical and safety requirements).

3.3 The Sponsor shall bear all necessary costs for its on-site sales and promotion presence at the Event, including but not limited to all costs required for establishment of the material conditions for its presence at the Event. Such costs include the costs of setting up utilities at the site (water, electricity), and fees payable for the Sponsor's consumption and the costs of other services used by the Sponsor and related to the Sponsor's appearance at the site (including but not limited to rubbish disposal, cleaning, tank emptying).

3.4 The Sponsor may only use electricity, water, sewage, waste management, landline internet and telephone services supplied by Sziget. Sziget is expressly entitled to make use of subcontractors in the provision of such services. The Sponsor undertakes only to establish wireless hotspots for guests subject to individual permission from Sziget, and only if this does not affect the network load to a significant degree. Following the Event, Sziget is entitled to invoice the fee for the services used, which the Sponsor or its designated subcontractor is obliged to transfer to Sziget's bank account within 30 (thirty) days of receipt. Sziget shall send a preliminary calculation prior to the Event on the costs of utilities and other services following the submission of requirements by the deadline specified in the technical policy or in Sziget's written briefing; the calculation shall become binding after approval by the Sponsor. The Sponsor acknowledges that if it does not submit its requirements (a) in writing by the designated deadline; or (b) Sziget does not receive the calculation approved by the Sponsor by the designated deadline, then Sziget is not obliged to provide the services requested; Sziget is only obliged to do so if Sziget has expressly provided confirmation thereof in writing.

3.5 Should the Sponsor be entitled to provide hospitality services on the site of the Venue, the Sponsor undertakes to conclude an agreement with Sziget setting out the detailed rules of sale, to which a third party designated by Sziget may also be signatory. Sziget agrees that the Sponsor may conclude a contract with the given third party pursuant to which the Sponsor may enforce its entitlements as set out in the Agreement without payment of separate consideration. *The Sponsor acknowledges and undertakes that in the interest of precise measurement of turnover at the Venue it will register and record all consumption at the Event using the electronic cashless payment system in the manner designated by Sziget. Sziget is entitled to check the above at any time without restriction. Should the obligation referred to above be breached, Sziget is entitled to terminate the agreement concluded with the Sponsor concerning the hospitality service with immediate effect and to suspend the Sponsor's operation at the Venue or to close it for the duration of the Event.*

4./ Entry ticket quota, drive-on permits

4.1 The Sponsor is obliged to use any entry ticket quota provided to it properly, i.e. ensure that such tickets are only made available to those working for the Sponsor and to its partners and that they are not put on the market.

4.2 The Sponsor may apply for tickets, modify its request and take receipt of tickets within the quotas specified by Sziget in the manner and using the forms designated by Sziget. The Sponsor is only entitled to take receipt of the tickets provided following due performance.

4.3 The Sponsor acknowledges that it bears strict and direct liability to compensate Sziget for improper use of any tickets given to it, regardless of who takes receipt of the tickets on behalf of the Sponsor and to whom and using what system they are transferred. The Sponsor acknowledges that in the event of abuse of the tickets, Sziget is authorised to impose a penalty for each ticket concerned pursuant to Section VI/7. Since Sziget keeps a record of issued tickets using their serial number and barcode, Sziget recommends that the Sponsor keeps a record of tickets received using their serial number and barcode. Allocation of the tickets to given people and payment of any related public fees and charges is the obligation solely of the Sponsor.

4.4 Sponsor acknowledges that it may use the drive-on permits associated with the tickets according to the quotas of the associated authorisations, with particular regard to the drive-on time intervals. If the vehicle remains on the site beyond the permitted time, Sziget is authorised to confiscate the drive-on permit and to have the vehicle removed from the site of the Event at the cost of the Sponsor; the Sponsor may not make any claim for compensation with regard thereto.

5./ Rules of conduct

5.1 Natural persons acting in the interest of the Sponsor and its Cooperators are obliged to comply with general norms, the relevant legal provisions, the provisions of Sziget's separate GTC concerning guests of the Events and the rules of the given Event (including the preparatory period and subsequent construction and demolition work) at the site of both the Event as a whole and the Venue. Natural persons acting in the interest of the Sponsor and its Cooperators are obliged to refrain from all comments, communications and actions that may jeopardise or infringe the good name or interests of Sziget and/or the Event, the personality rights, lives, health and physical integrity of third persons. Natural persons acting in the interest of the Sponsor and its Cooperators have a particular duty to preserve the natural surroundings and to refrain from causing damage to such at the site of the Event.

5.2 In the interest of the safety of the Event, the Sponsor and its Cooperators are obliged to comply fully with the sections relevant to the Sponsor of the integrated emergency prevention, fire protection and disaster prevention plan (hereinafter: Safety Plan). Sziget undertakes to provide the necessary information in the manner that may be expected of an event organiser in respect of enabling familiarisation with the aforementioned documentation online, by email and/or orally. Violation of and failure to comply with the Safety Plan will result in a ban from the Event and Sziget may claim compensation from the Sponsor.

5.3 Sziget's suitably qualified and licenced employees and/or Cooperators will enforce the rules of conduct and safety at the site of the Event. The Sponsor and its Cooperators expressly undertake

that natural persons acting in their interest will fully cooperate with such employees and Cooperators within the bounds of the law and will follow their instructions in the event of an emergency.

5.4 In the event of breach of the rules set out in this Section III/5, Sziget may impose a partial (for the given Event or certain Events) or full (for all Events organised by Sziget) ban on any member of the organisation of the Sponsor and/or Cooperator (until the end of the Event or for a longer period). Following the expiry of the ban, Sziget is entitled to tie the right to attend the Event to individual terms and conditions. The Sponsor and/or its Cooperators are also obliged to compensate Sziget for damage caused.

6./ Subcontractors

6.1 The Sponsor is entitled to make use of subcontractors and cooperators at the event even without the permission of Sziget, with the proviso that the Sponsor is only entitled to make use of subcontractors and cooperators without a Hungarian tax number that have employees working for them at the site of the Venue with the prior written approval of Sziget.

6.2 If the subcontractor designated by the Sponsor settles the technical and/or other invoices (e.g. for ticket purchases) issued by Sziget with a delay or fails to settle them despite repeated notice to do so, the Sponsor is not entitled to oblige Sziget to provide further services to the designated subcontractor, and Sziget is entitled to ban the subcontractor from entering the Event (such a ban may include but is not limited to the construction period) until the given invoices have been settled.

7./ Compliance with statutory provisions on labour

The Sponsor warrants that it and its subcontractors and cooperators will comply with the authority provisions and statutory provisions applicable to the Event and activities performed at the Event, and that the employees, other persons and any subcontractors that it uses will fully comply with such provisions. The Sponsor warrants that it, its contractors and cooperators will comply with the necessary authority provisions, occupational safety provisions and fire safety provisions for the work performed, and will fully brief and train those natural persons actually performing the work and ensure that such persons fully comply with such provisions. The Sponsor bears liability for compliance with the above and for ensuring its subcontractors and cooperators comply with the above, and is obliged to hold Sziget fully harmless for all disadvantageous legal consequences resulting from any breach of statutory provisions or other provisions by the Sponsor, the subcontractors and cooperators of the Sponsor and natural persons performing work for such persons (including but not limited to fines, fees, costs, claims for compensation), and to compensate Sziget immediately on first demand for any material disadvantage that may already have occurred.

IV PAYMENT TERMS AND CONDITIONS

1./ The Parties agree that the Sponsor is obliged to pay the sponsorship fee specified in the Individual Agreement against an invoice properly issued by Sziget within 30 (thirty) days of issue by bank transfer according to the schedule set out in the Individual Agreement. Sziget is entitled to use the sponsorship fee freely.

2./ The Parties agree that the sum of the sponsorship fee is fixed and is independent of any possible changes to circumstances following conclusion of the Agreement (including but not limited to changes to the venue, the time, the programmes or the payment systems), providing such changes

do not significantly influence the overall quality and general perception of the Event and also do not significantly and verifiably infringe the Sponsor's interests.

3./ The Sponsor states and warrants that it has sufficient funds at its disposal to pay the sponsorship fee as specified in the Agreement.

4./ If the Sponsor fails to transfer the due sum (sponsorship fee or other costs, including but not limited to utility costs, other technical costs and/or the costs of tickets), Sziget will send written notice to the Sponsor to settle the costs. If following the notice to pay, the Sponsor fails to settle the due sum within 15 (fifteen) days, the Sziget is entitled without separate notification to charge the Sponsor late-payment interest at the base rate of the central bank on the first day of the half of the year affected by the delay plus eight percentage points with respect to the whole period of delay. The base rate of the central bank on the first day of the half of the year affected by the delay will be applicable to the whole period of the given half of the calendar year.

5./ If the Sponsor requires an order number, PO number, work number or similar identifier for acceptance of the invoice, the Sponsor undertakes to provide such to Sziget within sufficient time for issue of the invoice. If the PO number/work number etc. referred to in this section does not arrive within the deadline, Sziget is entitled to impose the penalty specified in Section VI/7 on the Sponsor for each day of delay.

V. WITHDRAWAL, TERMINATION

1./ The Parties state that in the cases set out below the entitled Party's interest in performance of the Contract ceases, and the entitled Party may therefore withdraw from the Agreement by unilateral written statement in the below cases:

- a) Sziget may withdraw from the Agreement with immediate effect if the Sponsor seriously breaches any section of the Agreement, with the proviso that if the breach of the Agreement can be remedied – bearing in mind the duration of the Event – Sziget must give the Sponsor written notice to remedy the breach of the Agreement forthwith and set a reasonable deadline for it to do so;
- b) the Sponsor may withdraw from the Agreement with immediate effect if Sziget seriously breaches any section of the Agreement and as a result the right of the Sponsor to appear or to its good repute is severely infringed, with the proviso that if the breach of the Agreement can be remedied – bearing in mind the duration of the Event – the Sponsor must give Sziget written notice to remedy the breach of the Agreement forthwith and set a reasonable deadline for it to do so;
- c) either Party may withdraw from the Agreement with immediate effect if the other Party undergoes bankruptcy or voluntary winding-up proceedings or in the event of a final judgment ordering its liquidation;
- d) Sziget may withdraw from the Agreement with immediate effect if the Sponsor is late in payment by more than 15 (fifteen) days;
- e) the Sponsor may withdraw from the Agreement with immediate effect if the Event is not held, or it is held, but with a modification to the concept that significantly and verifiably infringes the Sponsor's interests;
- f) Sziget may withdraw from the Agreement with immediate effect, if the Sponsor fails to comply with the Safety Plan or causes a fire incident or emergency by its conduct, or

jeopardises the lives, health or physical integrity of participants at the Event;

g) Sziget may withdraw from the Agreement with immediate effect if the Sponsor breaches the provisions of the Individual Agreement or the GTC on at least three occasions.

The Party entitled to withdraw from the Agreement must indicate the reason for withdrawing from the Agreement in order that their legal statement be valid. The Party entitled to withdraw may change from the designated reason for withdrawal to another reason.

2./ Given that the services are performed at intervals and annually, in the event of an agreement with a term of several years, the right of withdrawal may only be exercised with respect to both the given year and the future together.

3./ In the event of lawful exercise by Sziget of any of the rights of withdrawal listed above, fee instalments already paid are not repayable to the Sponsor and the Sponsor may not make any claim to such fee instalments. Sziget is also entitled to invoice the full sponsorship fee due for the remaining period.

4./ In the event of lawful exercise by the Sponsor of any of the rights of withdrawal listed above, Sziget is obliged to repay within 30 (thirty) days the sponsorship fee paid by the Sponsor (in the case of an agreement with a term of several years, the sponsorship fee paid for the year affected by the withdrawal) less the flat rate equal to 10 (ten) percent of the sponsorship fee, which level is acknowledged by the Parties and expressly accepted as proportional.

5./ In all cases where either Party has the right to withdraw from the Agreement pursuant to the Agreement, but such right cannot actually be exercised or can only be exercised with disproportionate difficulty owing to services already performed (in particular, if such withdrawal could only take place following the start of the Event), the Party entitled to withdraw from the Agreement may terminate the Agreement by unilateral written statement, with the restriction that the termination does not affect the obligation to settle accounts pursuant to the Agreement concerning services already performed, i.e. in such a case the Parties are obliged to settle accounts for services performed according to the contractual terms, and are not entitled to make compensation claims or withholding claims on the grounds of the termination in respect of services already contractually performed.

6./ During the term of the Agreement the Parties may only terminate the Agreement unilaterally in the cases and in the manner detailed in the GTC.

VI LIABILITY, PENALTIES

1./ Either Party is obliged to compensate the other Party for damage caused to the other Party by breach of this Agreement. The Party is exempt from liability if it can prove that the breach of the Agreement was caused by a circumstance beyond its scope of inspection that was not foreseeable at the time of concluding the agreement, and the Party could not have been expected to avoid the circumstance or avert the damage. Damage to the assets of the entitled Party and lack of pecuniary advantage as a result of the breach of the Agreement must be compensated to the degree that the entitled Party can prove that the damage, as a possible consequence of the breach of contract, was foreseeable at the time of concluding the Agreement; in the event of wilful breach of contract the full damage of the entitled Party must be compensated.

The Parties will be in breach of the Agreement if they fail to take measures or make statements that are necessary for the other Party to duly perform their obligations pursuant to the Agreement. The omission of any measure or declaration that is the obligation of either Party rules out the breach of any obligation by the other Party if performance of the other Party's obligation is hindered by the omission of the measure or statement.

2./ Sziget, unless otherwise stipulated by law, is liable only for wilful breaches of the Agreement imputable to it that damage human life, physical integrity or health, in view of the fact that this was taken into account when specifying the consideration for the sponsorship in the Individual Agreement.

3./ The Parties are liable for the conduct of their Cooperators as if they had acted themselves, with the proviso that if Sziget performs any of its obligations with the cooperation of a third party, Sziget does not bear material liability for assets provided by the Sponsor to the third party, and Sziget may transfer such liability fully to the third party.

4./ A temporary electricity supply system operates at the Event, so Sziget does not bear liability for short power cuts during the operating period. Sziget shall not bear any liability for any damage resulting therefrom, but will try in every case to ensure that the problem is remedied within the shortest time possible.

5./ The Sponsor acknowledges that if its does not comply with statutory provisions or Sziget's provisions (including but not limited to the GTC concerning guests of the Events, the rules of the Event, the rules concerning the operation, construction and demolition of the Venue, the rules set out in the Safety Plan), and thereby causes damage, it is obliged to compensate such damage; should a third party make a damage claim against Sziget, the Sponsor is obliged to hold Sziget fully harmless without delay on first demand.

6./ If as a result of war, rebellion, terrorist activity, strike or movement not constituting a strike, import or export embargo, accident, fire, blockade, flooding, natural disaster, severe storm, severe energy supply disruption, pandemic, serious traffic disruption/hindrance, authority provision or other unforeseeable and unavoidable obstacle that is beyond the control of the Sponsor and/or Sziget, either Party is unable to satisfy any of their contractual obligations, that Party shall not bear liability for any loss or damage that occurs as a consequence of such events. This force majeure provision shall be applicable accordingly to the given Event as a whole, and to particular programmes or services of the given Event.

7./ The Parties state that the Sponsor must pay the following penalties in the below cases pursuant to these GTC. The penalties payable by the Sponsor are:

- a) HUF 500,000, that is five hundred thousand Hungarian forints, in the event of a breach as set out in Section III/2.2.;
- b) in the event of breach of Section III 2.4, 2.5 percent of the net sponsorship fee for the given event (1.5 percent of the net list-price media value for the given event in the case of barter agreements) in cases a) and b) described in that Section, and 5 percent of the net sponsorship fee for the given event (3 percent of the net list-price media value for the given event in the case of barter agreements) in cases c) and d) described in that Section;
- c) three times the gross on-site ticket price for the Event for every ticket concerned in the

event of a breach of Section III/4.3;

d) HUF 5,000, that is five thousand Hungarian forints, per calendar day in the event of a breach as set out in Section IV/5.

Where the penalty is specified as a percentage above, the basis for the penalty shall be the amount of the sponsorship fee (or the given annual sponsorship fee in the case of long-term agreements). Each penalty is applicable per breach of the Agreement, and imposition of the penalty shall not influence exercise of the right to withdraw from the Agreement. Sziget may make the above penalty claims regardless of whether damage resulted from the Sponsor's breach of the Agreement. In addition to the penalty, Sziget may claim damages exceeding the penalty and may claim compensation for damage caused by breach of the Agreement, even if it has not made its penalty claim. The Sponsor is exempt from payment of the penalty if it can prove that it is not to blame for the breach of the Agreement.

VII FAILURE TO HOLD THE EVENT

1./ If the Event is not held owing to a force majeure situation, Sziget is obliged to repay the sponsorship fee less the flat rate amount equal to 20 (twenty) percent of the sponsorship fee to the Sponsor within 120 (one hundred and twenty) days (in the case of an agreement with a term of several years, only the sponsorship fee for the given year shall form the basis for application of this provision, less the value of advertising services performed in the given year), with the proviso that the Sponsor is not entitled to make any claim over and above that against Sziget.

2./ If the Event is not held, but the reason is neither a force majeure situation nor Sziget's wilful conduct, Sziget is obliged to repay the sponsorship fee paid by the Sponsor in full to the Sponsor as compensation within 120 (one hundred and twenty) days (in the case of an agreement with a term of several years, only the sponsorship fee for the given year shall form the basis for application of this provision), with the proviso that the Sponsor is not entitled to make any claim over and above that against Sziget. Sziget bears full liability to provide compensation in the event of willful breach of the Agreement.

VIII CONFIDENTIALITY

1./ The Parties shall hold confidential any business secrets disclosed to them concerning the other Party during performance of the Agreement, and shall not disclose such information to any third party or make it public except with the prior written permission of the other Party.

2./ A business secret is any fact, briefing, information, other data or compilation of these, particularly concerning technical, legal and business matters, related to the business activities of either Party that is not publicly known or not readily accessible to persons performing the given business activity which if obtained, used, disclosed to others or published by unauthorised persons would infringe or jeopardise the rightful financial, economic or market interests of the entitled Party, providing that the person entitled to and lawfully disposing of the business secret is not at fault with regard to protection of the business secret. Technical, economic or organisational know-how, experience or compilation of these recorded in such a way suitable for identification and representing pecuniary value shall enjoy the same protection as business secrets if it is gained, utilised, communicated with others or made public in a manner that breaches the principles of good

faith and fairness.

3./ The Parties shall bear full liability to compensate the other Party if they breach the confidentiality obligation. Further, each Party bears full liability to compensate the other Party if their employees, members, persons in any other legal relationship with them for the performance of work or activities, their contractors, Cooperators or agents under any other legal title breach the confidentiality obligation.

4./ The confidentiality obligation to which the Parties are subject does not have any limitation in time.

IX. TECHNICAL POLICY

Sziget's Technical Policy is contained in Annex 1, which forms an inseparable part of these GTC.

X. CLOSING PROVISIONS

1./ In the absence of a provision to the contrary, the Parties may only send notifications, communications, legal declarations, briefings, instructions (hereinafter: Notification) in writing by (a) personal delivery; (b) recorded delivery with return receipt; or (c) by email to the addresses or email addresses specified in the Individual Agreement. Emails will be regarded as delivered on the next business day after being sent.

2./ The Agreement may only be amended in writing. The Parties may only make statements concerning amendments or termination of the agreement by personal delivery or recorded delivery with return receipt; the express, written approval of the other Party by its authorised representatives is required in order for any amendment to be effective. The part of the Agreement not affected by the amendment will remain unchanged.

3./ The Parties undertake to cooperate to clarify any disputes arising from the Agreement and to seek to resolve such conflicts by amicable means first and foremost.

4./ Questions not governed by these GTC shall be governed by Hungarian law, in particular the provisions of Act V of 2013 on the Civil Code.

5./ The Parties state that their legal capacity is not limited and they are entitled to conclude the Agreement. The Parties further state that this Agreement is not in conflict with any agreements that they have concluded with third parties on this subject matter.

6./ The Parties are not entitled to assign or transfer under any other legal title their rights and obligations set out herein to any third party without the prior written permission of the other Party.

7./ The Parties undertake during performance of the Agreement and the related contractual legal relationships concluded by them to make every reasonable effort to ensure that the good business reputation of the other Party is not damaged, and that the company name shall not feature in any manner or connection that is immoral, tasteless, damaging or disadvantageous to the other Party or any of its indirect or direct owners.