

## **GENERAL SALES CONDITIONS AND TERMS OF SERVICE**

### **ARTICLE 1 – OBJECT AND OPPOSABILITY**

The Terms of Services define the terms and conditions of the services provided by Cactus Films, according to the Order of the Client. The present terms are sent to the Client with a Cost estimate. The Order is final after acceptance of the Cost estimate, by any means, or after the Client asks Cactus Films to start operations by any means. The present Terms do apply automatically to all of the production process and all relations between the Client and Cactus Films regarding the Order.

### **ARTICLE 2 – ORDER**

The present Terms are provided in connection to a Cost estimate. The Cost estimate details all services provided by Cactus Films to complete the Order. The Client shall pay to Cactus Films a first installment of not less than twenty-five percent (25%) of the Cost estimate on acceptance of the Cost estimate, and in any case the payment shall be done before Cactus Films starts any operation. If a service is not included in the Cost estimate and needs to be added, Cactus Films shall send to the Client an Addendum to the Cost estimate. If within three (3) business days, the Client does not explicitly validate the Addendum, Cactus Films will have the right to refuse to execute the additional services. If the Client demands Cactus Films to proceed to production without explicitly accepting the Addendum, Cactus Films may execute the additional services and charge the additional costs, being understood that in this circumstance these have been tacitly accepted by the Client.

### **ARTICLE 3 – LIABILITY**

Cactus Films is bound by a contractual obligation to use its best endeavors to execute the Order. Cactus Films shall execute the services with diligence, care and professional manners. Thus, Cactus Films shall not be liable for any incident, damage, negligence, lack of information, or delay caused by the Client. If the Client does not execute its obligations, including timely payment, Cactus Films is entitled to stop the execution of its services and obligations, harmless of any damaging consequence. In case of act of God, Cactus Films shall have no liability to any direct or indirect consequence of it. Cactus Films will then be allowed to suspend the execution of this agreement until the act of God event is over. Each party may also terminate this agreement in case of act of God. In case of termination due to act of God, the paid amount shall stay property of Cactus Films, and any further payment shall be cancelled.

### **ARTICLE 4 – COLLECTIVE AGREEMENT**

The Client acknowledges and accepts that Cactus Films is bound to the French collective agreement and its obligations to respect the minimal wages applicable to French audio-visual productions and to French photoshoots. Cactus Films will provide more information to the Client about the collective agreement on demand.

### **ARTICLE 5 – COSTS AND SERVICE FEE (Markup)**

The Cost estimate details the costs of the services provided by Cactus Films to execute the Order. The Addendums according to article 2 shall be added to the Cost estimate. Under all circumstances, the Client guarantees to Cactus Films a twelve percent (12 %) service fee (markup) on top of the final costs to be paid by the Client to Cactus Films (except if otherwise defined in the Cost estimate). It is agreed that Bank fees (currency conversion or transfer) related to the payments of the Client shall be added to the Cost estimate, or in any case paid or reimbursed by the Client.

### **ARTICLE 6 – PAYMENT CONDITIONS**

The Client shall pay Cactus Films the full inclusive costs as specified in the Cost estimate including any Addendums as specified in article 2. Unless otherwise defined in Special Payment Conditions of the Cost estimate, the payment shall be done in four (4) installments by bank transfer to the account of Cactus Films as followed:

Twenty Five Percent (25%) upon acceptance of the Cost estimate and latest at beginning of preproduction.

Thirty Percent (30%), by first scheduled shoot day.

Thirty Percent (30%), by last scheduled shoot day.

Fifteen Percent (15%), in final balance less any underages and plus any additional costs (cf. article 2), following completion of photography and not later than thirty (30) days after submission of final invoice.

Under no circumstances, the payments shall be suspended or assigned without prior agreement in writing to Cactus Films. In the event of late payment, the Client shall pay a penalty equal to a monthly rate of two point five per cent (2,5 %) of the final amount, from the day following the date of payment and after reception of a formal notice. Warranties or cash payment may be required in case of any deterioration in the financial situation of the Client.

### **ARTICLE 7 - DELIVERY**

The provision of services shall be executed and the Product shall be delivered in accordance with the terms and conditions referred to on the Cost estimate or on any later written agreement. The Client shall not benefit from a different delivery format without an additional cost. The non-compliance with the indicative deadline schedule mentioned on the Cost estimate or any later writing shall not give rise to any damages. However, if one (1) month after the deadline the product has not been delivered, for any reason other than an act of God event, each party shall be entitled to terminate the agreement. The Client will not be entitled to restitution of the installments nor shall obtain any damages or indemnity; thus the Client shall have the right not to pay the last installment.

In the event of non-conformity of the execution of the services of Cactus Films or of the delivery of product, the Client shall provide proof of the alleged absence of conformity, or will not be entitled to refuse final delivery of the product.

### **ARTICLE 8 – INTELLECTUAL PROPERTY**

Cactus Films shall obtain the necessary intellectual property rights from the participants of the production. Cactus Films shall provide to its Client the proof of the acquisition of the intellectual property rights on demand. Under all circumstances, Cactus Films retains the rights upon the product until the final price has been paid in full by the Client, including additional costs. Consequently the Client has no exploitation right on the delivered product until final payment has been executed. Once the final invoice has been paid in full, the Client will benefit of the intellectual property rights on the products within the scope defined in the Cost estimate. Any right extension shall be first subject to a demand to Cactus Films, which will inform the Client of the cost of the right clearing. Cactus Films shall then provide the right extension after acceptance of the right extension cost estimate by the Client, under the condition that Cactus Films can consequently and successfully achieve the right clearing.

### **ARTICLE 9 – APPLICABLE LAW AND JURISDICTION**

French law governs the Terms of Service. Any dispute arising out of or in connection with the construction and the execution of the Terms of Service shall be exclusively decided by the Court of Commerce of the place of the registered office of Cactus Films.