



### Production Service Agreement

50% of the contract due as a deposit with signed contract. Balance due ten days prior to load in. In order for our services to be provided the following must be provided at no cost to Klasic Sound:

1. Direct truck access to loading entrance at time of load in and load out.
2. Parking for 1truck for duration of event.
3. Adequate electrical service for all production equipment onsite.
4. Certified electrician to make and break connection. Klasic Sound technicians are not licensed, nor are they permitted to do this work.
5. A professional security force. Customer is responsible for all equipment onsite from loss, theft, or damage.
6. A clear area for production control. Exact position TBD.
7. An authorized representative onsite at time of load in to position structure(s)
8. Client media available at time of load in to test.
9. All technical riders, stage plots and room or site plans and show schedule available at least 1 week prior to load in for review.
10. Onsite restroom facilities for crew from beginning of load in through the end of load out.
11. Work light for after hours.
12. All local permits, licenses, or government fees and taxes associated with this production.

Klasic Sound is not to absorb any electrical, union, rigging, access, or other charges from venue. Labor hours outlined above are estimated only based on information provided. Any additional hours of labor required will be charged at prevailing rates. This proposal is based on our current understanding and assessment of your needs as of the date sent. This proposal is valid for 30 days.

#### Agreement:

- 1. CONTINUING RENTAL AGREEMENT:** Lessor and Lessee agree that this Agreement shall apply to any rental of property by Lessee from Lessor occurring on or after the date of this Agreement even though the specific property, duration of rental, and/or the price for the rental may vary. The parties acknowledge and agree that the terms and conditions of this Agreement shall continue to apply to all future rental transactions between them, without necessity or either party executing a new Rental Agreement.
- 2. Equipment and labor.** Company shall provide to Customer the equipment, labor and services ("Production Services") as set forth in the attached Production Agreement (collectively, the Production Agreement and Terms and Conditions, is hereinafter referred to as "Agreement"), which is incorporated herein by reference and made a material part hereof.
- 3. Contract Price.** Customer shall pay to company the Grand Total as set forth in the Agreement, plus all applicable federal, state, and local taxes (including but not limited to sales taxes), charges and fees with respect to the production services (collectively the "Contract Price"). Unless otherwise provided herein, at the time of execution of the Agreement, Customer shall remit to Company initial deposit of fifty percent (50%) of the Contract Price (the "Deposit") and provide written evidence in proper form of any applicable exemption from the applicable federal, state and local taxes. The remaining 50% of the Contract Price (the "Remaining Balance") shall be due and payable prior to the company unloading the equipment at the Job Site on the Load In Date ("Final Payment Date"). If the Remaining Balance is not paid prior to the Final Payment Date, Customer shall be in Default (as defined below) of the Agreement.
- 4. Cancellation/Change Orders.** Customer may cancel the Production Services by providing written notice to the company with return receipt ("Cancellation"). If Cancellation is more than ten (10) calendar days prior to the Load In Date, then Customer shall only be required to pay Company the Deposit. If Cancellation is ten (10) calendar days or less from the Load In Date, then Buyer shall remain obligated to pay the full Contract Price. Any change or modification to the Contract must be in writing and agreed to by both an authorized representative of Customer and Company in order to be binding ("Change Orders"). The Contract Price shall be adjusted to reflect the Change Orders. Customer must have a duly authorized representative of Customer at Job Site at all times during Load In and Load Out.
- 5. Ownership/Use of Company Equipment.** The equipment delivered to the Job Site by Company is, and shall at all times be and remain, the sole and exclusive property of Company; and the Customer shall have no right, title or interest therein or thereto. Customer shall have the right to operate the equipment in accordance with the manufacturer's instructions and pursuant to the terms of this Agreement. Customer shall make no alterations, changes, or modifications to the equipment, including but not limited to defacing, removing, or covering any nameplates on the equipment showing Company's name and identification of ownership or that of the manufacturer, without having obtained the prior written authorization of Contractor. If equipment is removed, stolen or damaged by Customer's guests, employees, performers, or other persons, then Buyer shall be in Default and shall be liable for the cost of repairing or replacing the equipment in Company's sole discretion.
- 6. Protection of Equipment.** The risk of loss of the equipment shall pass from Company to Customer upon delivery of the equipment to the Job Site on the Load In Date and continue through the Load Out Date. Customer shall be required to obtain and maintain, at Customer's sole cost and expense, up to and including the Load Out Date, a proper security force ("Security") to ensure protection and security of all equipment from loss, theft and/or damage. If Customer fails to procure proper Security, then Company shall have the option, but not the obligation, to hire its own Security at Customer sole cost and expense. Customer hereby assumes and shall bear the entire risk of loss and damage to the equipment from any and every cause whatsoever except for any damage to the equipment that may have been caused by Company's employees.
- 7. Insurance.** Customer shall obtain and maintain, at its own expense, an insurance policy that provides coverage for all risks, including but not necessarily limited to, general public liability insurance in an amount equal to or in excess of a combined single limit of \$2,000,000 for injury to persons and property and an amount equal to or in excess of \$1,000,000 for loss or damage to equipment. Such policy shall name the Company as an additional insured and as an additional loss payee. Upon request, Customer shall present a Certificate of Insurance or a copy of the policy to Company.
- 8. Access to Job Site.** Customer hereby agrees to provide, or cause to be provided, to Company, all necessary and unobstructed access to the Job Site (including, without limitation, ingress and egress, access to all necessary electrical hookups, and adequate power necessary for the operation of the equipment), and sufficient space for the installation, set-up, operation, use, maintenance, and removal of the equipment. Without limiting the



foregoing, Customer shall be responsible for obtaining and maintaining all rights of way and associated consents, waivers, licenses, easements, utilities, electrical hookups and permits (including electrical permits), as well as sufficient working space or setbacks from all structures or improvements now or hereafter erected on the Job Site with respect to the equipment. To the extent Customer may require a mobile stage, Customer warrants and represents that the Job Site has sufficient space to support a mobile stage in length: 80', width: 8'6" and height: 13'6", a truck weighing 13 tons, and a stage weighing 20 tons. If, in the course of performing services, Company discovers that its ability to install, operate, set-up, run, use, and maintain the equipment is impeded by the site conditions or the inability to access the site, it shall notify Customer of such conditions and Customer shall take immediate actions to correct the site condition problems, at Customer's expense. The failure of Buyer to promptly correct such conditions and/or problems shall constitute a Default under Section 9.

**9. Limitations on Liability.** In addition to other provisions set forth in the Agreement, Company shall not be liable for any loss, damage, or injury arising from the installation, use, operation, maintenance, and/or removal of the equipment, unless due to the gross negligence or willful misconduct of Company. Notwithstanding anything contained to the contrary herein, the maximum liability imposed on Company may not exceed the Contract Price. NOTWITHSTANDING THE FOREGOING, IT IS AGREED THAT UNDER NO CIRCUMSTANCES SHALL COMPANY BE LIABLE FOR SPECIAL, INDIRECT, INCIDENTAL, PUNITIVE, EXEMPLARY, OR CONSEQUENTIAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, DAMAGES FOR LOST PROFITS, OR FOR ANY OTHER DAMAGES, OR SUMS PAID BY BUYER TO THIRD PARTIES, EVEN IF COMPANY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE CONTRACT PRICE STATED IN THE AGREEMENT IS CONSIDERATION IN LIMITING COMPANY'S LIABILITY. THERE ARE NO WARRANTIES, EXPRESSED OR IMPLIED, BY COMPANY TO BUYER, EXCEPT AS OTHERWISE EXPRESSLY CONTAINED IN THE AGREEMENT, AND COMPANY SHALL NOT BE LIABLE FOR ANY LOSS OR DAMAGE TO CUSTOMER, NOR TO ANY THIRD PARTY, OF ANY KIND AND HOWEVER CAUSED, WHETHER BY ANY EQUIPMENT, ITS USE, OPERATION, REPAIR, MAINTENANCE, REMOVAL, OR ITS FAILURE, OR BY INTERRUPTION OF SERVICE. COMPANY SPECIFICALLY DISCLAIMS, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

**10. Default.** If Customer fails to make payments as set forth in Section 2, breaches any of the duties, terms, covenants, conditions, and/or restrictions set forth in the Agreement, or fails to timely perform any other obligation required under the Agreement, then Customer shall be deemed to be in default of the Agreement ("Default"). In the event of a Default, Company shall be entitled to all remedies under law or equity. In addition, Company shall have the right, in its sole discretion, to refuse performance, suspend performance, and/or terminate further performance without incurring liability. Any such actions shall not relieve Customer from its obligations to pay the Contract Price. Further, if Buyer fails to pay Company any monies due to Company under the Agreement, then Buyer shall be obligated to pay to Company interest in the amount of one and one half percent (1.5%) per month until payment in full of the Contract Price and any interest. Further, in the event of a Default by Customer, Company shall be entitled to recover all costs and expenses, including reasonable attorneys' fees, incurred in enforcing or attempting to enforce its rights under the Agreement.

**11. Excuse for Nonperformance.** Company is not responsible for any failure of or delays in the delivery or set up of the Production Services under the Agreement to the extent such failure or delay arises from or relates to a Default by the Customer and/or a Force Majeure Event. A "Force Majeure Event" is defined as any of the following: weather conditions; power failure; vandalism; theft; natural disasters; Governmental Unit rules, regulations, or orders, including orders or judgments of any court or commissions; delay or failure in obtaining necessary permits; Acts of God; strikes or labor disputes; war or acts of terrorism; the presence of hazardous, toxic or other dangerous materials; issues related to the Job Site and site conditions which are not reasonably foreseeable; or any other cause or condition beyond the control of Company.

**12. Confidentiality.** Customer may not, except within the scope of the Agreement, directly or indirectly, divulge, reveal, report, publish, transfer, disclose, or use any Confidential Information. "Confidential Information" shall mean all private or nonpublic information that has been obtained or disclosed to Customer as a result of this Agreement and the provision of Production Services by Company, including, but not limited to, information concerning equipment, patterns, designs, drawings, production or engineering data, or other technical proprietary information. Customer acknowledges that such documents and information are Confidential Information and the sole exclusive property of Company. Upon termination of this Agreement or upon request by Company at any time, Customer shall surrender and return to Company such Confidential Information, along with any copies or printouts of such information, in any medium. Customer may not assign the Agreement or its interest in the Production Services without the prior written consent of the Company. The Agreement shall be governed by the laws of the State of Maryland. The parties agree that any action concerning the terms of the Agreement shall be brought in a Court of competent jurisdiction in the State of Maryland. The parties hereby consent to be subject to the in personam jurisdiction of the State of Maryland. If any provisions of the Agreement shall be held to be invalid or unenforceable, such invalidity or unenforceability shall attach only to such provision and shall not in any way affect or render invalid or unenforceable any other provision of the Agreement and the Agreement shall be carried out as if such invalid or unenforceable provision were not contained herein. A failure by either party to enforce any right under the Agreement shall not at any time constitute a waiver of such right or any other right, and shall not modify the rights or obligations of either party under the Agreement. This Agreement with these Terms and Conditions supersedes all prior agreements and understanding between the parties hereto concerning the subject matter herein, and constitutes the entire agreement between Customer and Company. The Agreement shall not be amended, modified, revised, or terminated except by further written agreement signed by Customer and Company. The Agreement may be executed in any number of counterparts and/or by facsimile, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument.

Acceptance: I/We hereby accept the above proposal and authorize you to proceed with the supply of the above services in accordance with the above terms and conditions

Company Name: \_\_\_\_\_

Contact Name: \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_