

2006 International CES Space Contract

Terms and Conditions

1. TERMS OF PAYMENT: Companies submitting an Application and Contract during the priority space selection period (January 6-9, 2005) will be billed for the initial 20% payment with payment due on or before March 1, 2005. The following schedule outlines the payment dates for all Applications and Contracts, with each step shown sequentially and on a cumulative basis.

- A. **20% of the Exhibit Space Cost is due upon application, when an application and contract is submitted on or before May 31, 2005.**
- B. **A cumulative 60% of the Exhibit Space Cost is due by June 1, 2005.** 60% of the Exhibit Space Cost is due upon application when an application and contract is submitted on or after June 1, 2005, and on or before September 30, 2005.
- C. **The entire 100% Exhibit Space Cost is due by October 1, 2005.** 100% of the Exhibit Space Cost is due upon application when an application and contract is submitted on or after October 1, 2005.

Make all checks payable to **International CES**. Please send payment to P.O. Box 79418 Baltimore, MD 21279 - 0418. Payment is due **immediately** upon CES acceptance of this contract. If the name of the exhibiting company is different than the name on the check, indicate it on the check. Please calculate your requested exhibit space cost and submit a payment (**U.S. currency only**) in accordance with the terms of payment in Section 1. Only the company name listed on this Application and Contract is considered an official CES Exhibitor. **All exhibitors must make payments in accordance with the schedule outlined above.** Under no circumstances will the Exhibitor be permitted to occupy its exhibit space if full payment has not been received. Payments submitted in accordance with the Application and Contract will be applied, first, to any outstanding balances from previous CES events, including the Innovations Awards program. Application and Contracts will not be processed until all prior financial obligations have been met. Late payments, partial payments, or any checks or money orders marked as being payment in full or as being settlement of any dispute may be accepted without forfeiting CES rights under this agreement or the law. Exhibitors who submit payments that are unpaid by their banks will be placed on a cash basis. Any Exhibitor who does not meet all financial obligations when due will be responsible for all outstanding debts and interest at one and one-half percent (1 1/2%) per month, compounded monthly, and any fees or expenses, including, but not limited to attorney's fees of no less than 33.3% of the unpaid principle and interest.

Failure to make payments does not cancel exhibitor's liability. Space cancellation notices must be submitted to CES in writing, and cancellation fees will be owed according to the terms outlined in Section 4 below.

2. OCCUPANCY BY EXHIBITOR: It is further agreed that actual occupancy of the space (including meeting rooms) reserved by the Exhibitor is of the essence. If the Exhibitor does not occupy the space by 2:00 p.m., Wednesday, January 4, 2006, CES may occupy or cause said space to be occupied as it may deem best for the interest of CES without in any way releasing the Exhibitor from any liability hereunder. Furthermore, if the Exhibitor does not occupy/staff the space, all rights of a CES Exhibitor (such as Press Room distribution, etc.) will be revoked. All exhibits/displays must remain staffed and fully in tact until 4:00 p.m., Sunday, January 8, 2006. Premature dismantling of and/or failure to fully staff said space during the entire show will result in the loss of one priority point.

3. OUTBOARDING: Any company not exhibiting at CES non official venue for one year but holding an exhibit demonstration or display in a Clark County, NV hotel, suite, meeting room, or other non-CES venue during the show will lose priority points which will affect space selection order at future shows. If an Exhibitor cancels its official space and outboards in any non-official exhibit venue during CES showdates then the Exhibitor will lose all of priority points for future shows.

4. CANCELLATION BY EXHIBITOR: All cancellations must be in writing to: 2500 Wilson Blvd., Arlington, VA 22201 - 3834, USA return receipt requested and shall become effective when received by CES. Both the Exhibitor and CES acknowledge that CES will sustain substantial losses if the Exhibitor cancels its Application and Contract. Even though CES will exercise its best efforts to mitigate the damages associated with the Exhibitor cancellation, the parties agree that Producer will nevertheless incur substantial losses that cannot be precisely determined. Due to the difficulty of determining and providing said losses, the Exhibitor agrees to pay the following as liquidated damages if the Exhibitor cancels its exhibit space on or within the time periods specified below. **Should the Exhibitor cancel all, or part, of the exhibit space contracted for hereunder after the date CES accepts and signs this Application and Contract, Exhibitor is liable for: a) 20% of the total exhibit space cost if cancellation is made by May 31, 2005, or b) 60% of the total exhibit space cost if cancellation is made between June 1, 2005 and September 30, 2005; or c) 100% of the total exhibit space cost if canceled on or after October 1, 2005.** All payments made or due to CES shall be fully earned and non-refundable, in consideration for expenses incurred by CES and its lost or deferred opportunity to provide exhibit space to others. All cancellation fees that may become due hereunder are acknowledged by the Exhibitor as liquidated damages and are not applicable toward any future CEA sponsored shows or events. CES will invoice Exhibitor for cancellation fees in excess of payments. Invoices for cancellation fees are due upon receipt. This balance must be paid in full before exhibitor can exhibit in any other CES or CEA events.

Exception: Exhibitors submitting Application and Contracts during the on-site priority space selection held January 6-9, 2005 shall be entitled to a ten (10) calendar day grace period during which time all or part of the exhibit space contracted for hereunder may be canceled without incurring space reduction penalties or cancellation fees. CES must receive **written cancellation** by no later than **January 19, 2005**, to qualify for the full credit and/or refund.

5. CANCELLATION BY SHOW: Exhibitor's space may be canceled by CES for failure to make payments when due or failure to comply with CES regulations. If space is canceled by CES, Exhibitor will be notified in writing. It is further agreed that based on the timing of such cancellation, as evidenced by letter notification, the Exhibitor is liable for the same cancellation charges as referred to in Section 4. Upon such cancellation, CES may lease the canceled space to another exhibitor at its discretion. CES will invoice Exhibitor for cancellation fees in excess of payments. Invoices for cancellation fees are due upon receipt. If the Exhibitor cancels its participation, the Producer may, at its discretion, cancel all other contracts between the Exhibitor and the Producer.

6. SPACE REDUCTION: All space reduction requests must be in writing and shall become effective when received by CES. A fee of 20% of the difference between the cost of the originally assigned exhibit space and the cost of the reduced exhibit space, requested in writing by the Exhibitor, will be charged on any reductions requested after the date CES accepts the Application and Contract, through May 31, 2005. Between June 1, 2005, and September 30, 2005, the penalty increases to 60% of the difference between the cost of the originally assigned exhibit space and the cost of the reduced exhibit space. The Exhibitor will be responsible for the entire 100% cost of the originally assigned exhibit space contract regardless of any space reduction requests on or after October 1, 2005.

Any company having downgraded their original exhibit space request and holding an exhibit, demonstration or display in a Clark County, NV hotel, suite, meeting room, or other venue during the Show will forfeit 5 priority points for the first 50% of space downgraded and 5 priority points for every 100 square feet of space downgraded above 50%. Such activity may affect exhibit space selection order at future shows.

7. DIRECTORY LISTING/SEPARATE EXHIBITOR REGISTRATION: Only the name of the Exhibitor which appears upon the face of this Application/Contract may be placed in the exhibit space, in the Show's printed list of Exhibitors and on exhibitor badges. **It is further agreed that the Exhibitor shall not assign, share or sublet any part of its exhibit space without the express written consent of CES.** In the event a request for separate exhibitor registration and/or additional directory listing is approved, a \$850 fee will be charged for each additional company. **See Clause 8 for additional information regarding shares.** CES maintains the exclusive right to publish and distribute the list of Exhibitors. However, a publisher may include the list of Exhibitors as part of an ongoing publication. As a service to Exhibitors, CES will identify in the Official Directory each Exhibitor who completes and returns the necessary directory listing form by the established deadline; however, CES will incur no liability for any errors, omissions or format changes in the directory. The Exhibitor agrees to list in the Official Directory only brands of its own manufacture, or brands which are manufactured exclusively for the Exhibitor, and which bear the Exhibitor's name or trademark.

8. SHARE POLICY: International CES will allow share exhibitors within a booth only if they meet the following criteria:

- the share company is a subsidiary or division of the primary company, or
- the share company has a distributor relationship with the primary company, or
- there is an equity relationship between the share company and primary company
- For Alexis Park exhibitors only, due to the nature of the exhibits at this venue, a share may be permitted as long as the shared exhibit space is contained to one exhibit room.

The share company will earn one priority point per year. Each share company must complete an exhibit space application and pay an \$850 share fee, due in full with contract submission. CES must receive notification from the primary company, on their letterhead, indicating approval and acceptance of the share company within the primary company's booth.

It is at the discretion of CES to approve and accept share contracts based on the criteria above. If CES has evidence or knowledge that any of the facts presented by the primary or share company are not valid or true, CES will not accept the share contract and the share company will not be permitted to exhibit at CES in a share capacity.

9. ATTENDANCE: CES makes no representations or warranties with respect to the demographic nature and/or volume of exhibitors and/or attendees at any particular location at CES.

10. REGULATIONS: It is further agreed that all current and subsequent CES conditions and regulations of the Las Vegas Convention Center, Sands Expo and Convention Center, Las Vegas Hilton, Alexis Park Renaissance Las Vegas, and any other facilities used by CES are made a part hereof as though fully incorporated herein. CES shall have full and exclusive power in the matter of interpretation, amendment and enforcement of all said conditions and regulations, and any such amendments when made and brought to the notice of said Exhibitor shall be as though duly incorporated herein and subject to the terms and conditions herein set forth. If a dispute or disagreement shall arise between the parties concerning the allotment of or permitted use of exhibition space or concerning interpretation of any of the regulations which are a part hereof the decision and interpretation of CES shall be final and the Exhibitor hereby agrees to abide by said interpretation which, if requested, shall be in writing.

11. FORCE MAJEURE: It is further agreed that in case said premises shall be destroyed by fire or the elements, or by any other cause, or in case of government intervention or regulation, military activity, strikes, or any other circumstances that make it impossible or inadvisable for CES to hold the Show or portion thereof at the time and place herein provided then and there upon this agreement shall terminate and the said Exhibitor shall and does hereby waive any claim for property or other damages or compensation except the pro rata return on the amount paid after deduction of actual expenses incurred in connection with the Show and there shall be no further liability on the part of either party. This Application and Contract is subject and subordinate to the agreements between the Las Vegas Convention Center, Sands Expo and Convention Center, Las Vegas Hilton, Alexis Park, Renaissance Las Vegas and any other facilities utilized by CES, and covering the CES exhibit areas at these properties (and other facilities which may be used) for the period of the 2006 International CES, move-in through move-out.

12. GOVERNANCE: The contract and all rights and obligations of the parties relating hereto shall be governed by and construed in accordance with the internal laws of the Commonwealth of Virginia without giving effect to any conflicts of law rules that would cause the application of the laws of any other jurisdiction. At CES's option, any controversy or claim arising out of or relating to this contract or the breach thereof (except for an action for injunctive relief) may be resolved by arbitration held in Arlington County, Commonwealth of Virginia, in accordance with the Rules of the American Arbitration Association in effect at the time the arbitration is initiated, and judgment upon the award rendered by the arbitrators may be entered in any court jurisdiction thereof.

13. EXHIBIT SPACE AMENDMENTS: This Application and Contract indicates your original exhibit space assignment. Any changes to your assignment will be indicated to you on a contract addendum.

form. CES further reserves the right to move or reallocate exhibitor's booth space to a new location in the interest of a better showing of exhibits, or it may cancel this agreement for the betterment of the overall Show or for any other reason deemed necessary by the Producer. Exhibitors will be notified in writing of such movement. All terms of the contract, including cancellation policy, remain in effect upon such movement of booth space by CES. If booth space is purchased by any type of aggregator and then subleased to companies who are otherwise eligible to exhibit at CES (to be listed under the aggregator's names), it is the responsibility of the aggregator to provide a copy of all terms and conditions of this contract to each sublessee. Aggregator hereby agrees to indemnify CES from any liability including, but not limited to, legal action that the sublessee may take against CES.

- 14. OPERATION OF EXHIBITS:** Exhibits must be designed and operated in a manner that respects the rights of other exhibitors and visitors. The following are prohibited: preparation of food, promotional contests that require physical skill, promotion of other industry expositions without prior consent of CES, and unauthorized taking of photographs. Personnel must be dressed appropriately and confine their activities to the exhibit space of the Exhibitor. Exhibitors are responsible for payment of fees, royalties or fines for use of work that is protected by copyright, patent or trademark. CES reserves the right to prohibit promotions found objectionable. Booths must be staffed at all times during scheduled exhibit hours, unless prior written permission is received from show management. Booth personnel must be 16 years of age or older.
- 15. BOOTH CONSTRUCTION:** All Exhibitors are expected to comply with booth construction regulations outlined in the Exhibitor Manual. It is the Exhibitor's responsibility to supply these regulations to its exhibitor appointed contractor.
- 16. CHARACTER OF EXHIBITS:** Products eligible to be exhibited include consumer and workstyle technology products and related accessories. The Exhibitor agrees to display only products of its own manufacture, or products exclusively manufactured for, or distributed by, the Exhibitor and which bear the Exhibitor's name or trademark. CES reserves the right to order withdrawal from display any items which, in its opinion, do not comply with these requirements.
- 17. CONTENT:** CES reserves the right to exclude the showing of film, photos, games or other software in the exhibit area which are deemed objectionable, including explicit or simulated sex, nudity, bloodshed or mutilation. (Adult out call and escort services, and the promotion of the same are not permitted at CES.) CES will disconnect the electricity of, or close the exhibit of any Exhibitor deemed to violate these rules.
- 18. GOOD NEIGHBOR POLICY** Any exhibitor using audio or video content in their booth for the purpose of demonstrating equipment or otherwise hereby agrees that such content shall be appropriate for a general audience, and agrees to refrain from using content that may be considered offensive to such an audience. In the event of a complaint from any person regarding the content used by an exhibitor, CEA will investigate and if, in the sole discretion of CEA, such content is determined to be offensive, CEA will request exhibitor to cease using such content. In the event the exhibitor refuses CEA's request, or a subsequent complaint is filed against the same exhibitor, CEA reserves the right to shut off the power to the exhibitor's booth until the exhibitor complies with CEA's request. Repeated violations of this policy can, at CEA's discretion, result in expulsion from the Show.
- 19. OUTDOOR EXHIBIT SPACE:** It is the responsibility of the Exhibitor to supply their own tent or canvas covering for their outdoor display should they decide to use one. No refunds will be provided for inclement weather or other forces of nature that may limit display activity.
- 20. POLICY ON SELLING:** Over the counter sales (i.e., cash, check and/or credit cards) are not permitted. Only bona fide business orders for future delivery may be taken. Violation of this provision will result in expulsion from CES. **THIS POLICY IS STRICTLY ENFORCED.**
- 21. FOOD AND BEVERAGE SERVICE:** ARAMARK has the exclusive rights to all Food and Beverages at the Las Vegas Convention Center Facility. Additionally the Sands Expo and Convention Center, Las Vegas Hilton, Alexis Park, and Renaissance Las Vegas have exclusive rights to food & beverage at those facilities. Food & beverage consumed, prepared, or distributed, including Food or Beverage items used for promotional purposes, must be purchased through ARAMARK or other exclusive provider and are subject to regulations and permit requirements of the Clark County Nevada Health District, the Las Vegas Convention Center and ARAMARK, or other exclusive provider.
- 22. LIABILITY AND INSURANCE:** Exhibitors seeking to install their own booth/display must comply with all state and federal laws and/or regulations and must comply with any/all laws, rules, or regulations related to booth installation/dismantling. Exhibitor must have a commercial general liability policy of not less than \$250,000 naming CES, Las Vegas Convention and Visitors Authority, Sands Expo and Convention Center, Las Vegas Hilton, Alexis Park, and Renaissance Las Vegas as additional insureds. This policy must be made available upon request.
The Exhibitor and its authorized contractors agree to carry adequate personal and property damage liability and workers' compensation insurance and to indemnify and hold harmless CES, the Las Vegas Convention Center, Sands Expo and Convention Center, Las Vegas Hilton, Alexis Park, Renaissance Las Vegas and other facilities utilized by CES and their contractors, officers, agents and employees against all claims, losses, suits, damages, judgments, expenses, costs and charges of every kind, including attorneys' fees resulting from its occupancy of the exhibit space contracted for, by reason of personal injuries, death or property damages sustained by any person. Certificates of insurance must be furnished by Exhibitor if requested by CES and must be available on-site during the show. Failure by CES to request proof of insurance shall not relieve Exhibitor from carrying proper coverage. The Exhibitor understands that neither CES nor the Las Vegas Convention Center, Sands Expo and Convention Center Alexis Park, the Las Vegas Hilton or other facilities used by CES maintain insurance covering the Exhibitor's property and it is the sole responsibility of the Exhibitor to obtain such insurance.
- 23. RESPONSIBILITY FOR PROPERTY:** In no case will CES be responsible for theft, loss or damage to Exhibitor's product or booth, unless the responsibility is a direct and sole result of the actions of CES or its employees. Exhibitor agrees that it is wholly responsible for protecting its property on and off Show premises. Exhibitors are encouraged to secure their exhibits and products and should insure their property (from the time it leaves their warehouse until it returns) at their own expense.
- 24. RECEIPT AND REMOVAL OF FREIGHT:** No exhibit or portion thereof may be removed from the exhibit facility during the Show. Only Exhibitors showing proper exhibit credentials and personal identification will be permitted to take merchandise out of the facility. If any Exhibitor fails to remove its freight in the allotted move-out time, CES reserves the right, at the Exhibitor's expense, to ship the freight through a carrier of its own choosing or to place same in a storage warehouse. (Please refer to your Exhibitor Manual for additional information.)

25. EXHIBIT SET-UP: A clean floor policy will be in effect during move-in. On Tuesday, January 3, 2006, all crates must be empty and labeled by 6:00 p.m. and will be removed regardless of status at 10:00 p.m. On Wednesday, January 4, 2006, all exhibits must be set by 2:00 p.m.; all cartons, fiber cases and packing material must be empty and labeled by 1:00 p.m.; and all aisles must be 100% clear by 7:00 p.m. This day is scheduled for product testing, booth fine-tuning, and rehearsals.

Exhibitors not set up by 2:00 p.m. on Wednesday, January 4, 2006 will revert to CES no further obligation to Exhibitor, and fines may be assessed for non-compliance at the discretion of Show Management. No refunds will be made to Exhibitor for space assigned and not occupied.

- 26. EXHIBIT CONSTRUCTION, DECORATION, SIGNS, ETC.:** Exhibitors are solely responsible for the safety of their exhibits (refer to your Exhibitor Manual for additional information). All special booth work must conform with CES' exhibit regulations. Such approval and/or compliance with CES regulation does not constitute CES approval or opinion on the structural safety of construction. The Exhibitor and its display company remain solely liable for the safety of their exhibit. Exhibitors may choose any display company provided it meets CES' requirements for exhibitor appointed contractors and it provides CES with a certificate of liability insurance and signed indemnification agreement no later than 30 days prior to the Show (see exhibitor appointed contractor approval). All bunting, draperies or other fabrics must be fireproofed before use in the decoration of any exhibit. Paper decorations, cut evergreens or branches and helium balloons are not permitted. Exhibitors must comply with all the laws, regulations and ordinances in force in the exhibit facility(ies). City of Las Vegas, the State of Nevada and the United States.
- 27. EXHIBITOR APPOINTED CONTRACTOR (EAC) APPROVAL: An Exhibitor Appointed Contractor (a contractor not listed in the Exhibitor Manual) may be used provided CES obtains 30 days in advance:** 1) Notification of Exhibitor's intent to use the exhibitor appointed contractor; 2) Proof of the exhibitor appointed contractor's workers' compensation and personal property damage liability insurance coverage; 3) Signed EAC Indemnification Statement. Use of exhibitor appointed contractors is subject to their acceptance of CES' EAC contract. EAC must be on the approved EAC list at the show facility at which it is performing the work. CES may deny access by or use of any exhibitor appointed contractor if these specific requirements are not met in the opinion of show management. If an Exhibitor brings an exhibitor appointed contractor or other contractor into the exhibit facility, that Exhibitor is responsible for that contractor's workers' compensation and liability insurance certificates and must send them to CES, the exhibit facility, and the general contractor. Under no circumstances will CES be responsible for work promised or performed by an EAC.
- 28. SPECIAL ELECTRICAL, CLEANING, CATERING SERVICES, ETC.:** For insurance, safety and security purposes, electrical, cleaning, catering, drayage and other special services needed by individual Exhibitors are provided only when the Exhibitor orders and agrees to pay for these services from the exclusive suppliers authorized to provide such services listed in the Exhibitor Manual.
- 29. FLOOR PLANS:** CES publishes floor plans that are provided by the exhibit facility and are believed to be correct. CES encourages Exhibitors to verify these floor plans directly with the exhibit facility.
- 30. AMERICANS WITH DISABILITIES ACT (ADA):** Exhibitors must be in full compliance with the Americans with Disabilities Act.
- 31. PUBLICATION DISTRIBUTION:** Exhibitors may distribute their own written materials from their exhibit(s) and, unless permission is granted by CES, not outside their exhibit. Publication bins, if available, are restricted to approved, nationally distributed publications and, if applicable, the official CES Show Daily. Other "show dailies" may not use the bins.
- 32. EXHIBITOR BADGE POLICY:** Exhibitors will receive five (5) complimentary badges per 100 square feet of exhibit space. All companies will receive a minimum of 10 badges, including those companies paying the \$850 registration fee (refer to 7). All additional badges will be charged at \$10 per badge during pre- and on-site registration.
- 33. SECURITY:** Exhibitor accepts that CES may take actions to maintain attendee security. CES has sole discretion in taking such action and cannot be held responsible for maintaining show access, for economic losses, or for damage or loss of exhibitor property, as a result of any action taken by CES in furtherance of show security.
- 34. ASCAP/BMI:** Exhibitors are responsible for all applicable ASCAP/BMI music licensing fees. No fees are required if music is used to demonstrate product capability.
- 35.** If any portion of this Application and Contract is changed or determined to be unenforceable, all other terms and conditions remain in full force and effect.
- 36. AMENDMENTS:** CES shall have full power to make or amend its regulations, terms and/or show dates.
- 37. VIOLATIONS OF REGULATIONS:** CES may take enforcement action at its discretion up to and including closing Exhibitor's booth, for violation by Exhibitor of CES Rules and Regulations or Exhibitor's breach of the terms of this Agreement. If CES shuts down Exhibitor's booth due to Exhibitor violating CES Rules and Regulations, exhibitor will not receive a refund or damage compensation from CES. Repeated violations may result in Exhibitor's being banned from participation in CES.
- 38. NO-ORAL MODIFICATION CLAUSE:** This Application and Contract may not be orally modified. Only a modification in writing, signed by an authorized representative of CES will be enforceable.
- 39. EXHIBITOR INTELLECTUAL PROPERTY:** Exhibitor warrants that it owns the rights for all intellectual property (patent, copyright, trademark, etc.) to be used by Exhibitor for promotion or exhibition at CES, and agrees to defend, at Exhibitor's expense, and to indemnify CEA/CES for any action brought against CEA/CES arising out of any dispute concerning intellectual property.
- 40. CES PUBLICITY AND PROMOTION:** CEA shall have the non-exclusive right to use the name of Exhibitor in both print and broadcast advertising media in connection with the promotion and publicity of CES.
- 41. PRIORITY POINTS:** For exhibitor who has already contracted and paid for one CES booth space (regardless of size), additional space secured via contract and payment after October 1, 2005, will not have any effect on CES space selection time or standing.
- 42. SPACE LIMITATIONS:** The maximum total square footage any one exhibitor is permitted to select is a total of 25,000 square feet in any one hall.