

GENERAL TERMS AND CONDITIONS

for the rendering of services and delivery of goods by members of VPRA, branch organization for public relations / communication advice agencies
Deposited at the District Court in Utrecht. Provisional registration under number 251/1998

Article 1 Definitions

1. The VPRA agency: the natural or legal person who is granted the assignment by the principal to render services or to deliver goods.
2. The principal: the natural or legal person who has requested the VPRA agency to issue a tender or has granted it the assignment with respect to the rendering of services or the delivery of goods.
3. The VPRA: VPRA branch organization for public relations / communication advice agencies, c/o PO Box 1058, 3860 BB Nijkerk.
4. The VPRA Behavioral Code: the behavioral code for members of the VPRA, as mentioned in article 21 paragraph 2 of the articles of association of the VPRA, as adopted by the General Meeting of Members of the VPRA on November 17, 1997.
5. The agreement: the agreement between the VPRA agency and the principal as concluded under the applicability of these general terms and conditions.

Article 2 Applicability and validity of these general terms and conditions

1. These general terms and conditions apply to the establishment, the contents and the performance of all agreements concluded between the VPRA agency and the principal.
2. Any deviations from these general terms and conditions shall only be valid to the extent to which these deviations have been agreed upon in writing between the parties.
3. The general terms and conditions (of purchase) of the principal shall only apply if it has been agreed upon explicitly and in writing that they will apply with the exclusion of these general terms and conditions.

Article 3 Tenders, offers

1. All offers and tenders made by or on behalf of the VPRA are without any engagement. The mere issuing of them shall not impose any obligation on the VPRA agency to conclude an agreement.
The date of the confirmation by the VPRA agency shall be the date of establishment of the agreement. Any additional arrangements made later or changes made later shall only be valid if these have been confirmed in writing by the VPRA agency and the principal has not objected to them in writing within 8 days.
2. The VPRA agency reserves the copyrights on the texts, strategic concepts, representations, drawings, sketches, designs and calculations made available upon the occasion of the issue of a tender or upon other occasions, such as the preparatory work activities mentioned in article 8. These documents will remain the property of the VPRA agency and are not allowed to be copied, or be shown or made available to third parties or be used in any other way by the principal without the explicit prior written permission of the

VPRA agency. They should be returned immediately to the VPRA agency upon the first request of the VPRA agency to do so.

Article 4 Agreement

1. Except in so far as the agreement also comprises the delivery of goods, the co-operation between the principal and a VPRA agency shall be an agreement of assignment.

Article 5 General obligations of the parties

1. The VPRA agency shall be obliged to execute the agreement to the best of its insights and abilities in accordance with the requirements of proper expertise. The agreement with the principal shall be an obligation to perform to the best of its abilities. In the execution of the agreement the VPRA agency shall be guided by that which has been included in the VPRA Behavioral Code with respect to professional obligations towards principals. Upon the first request to do so from the principal, the VPRA agency shall send a copy of the VPRA Behavioural Code to the principal.
2. Both parties shall co-operate in the procedures agreed upon and shall mutually make available the information to the other party that is required for a proper execution of the work activities as soon as possible as it is requested by the other party. Objects, materials or data that have been made available to the VPRA agency for, by or on behalf of the principal are kept for the account and at the risk of the principal.
3. The parties shall behave towards each other with due care and not harm each other's interests unnecessarily, neither within the framework of this agreement nor outside the framework of this agreement.
4. The VPRA agency shall be obliged to observe secrecy with respect to all that comes to its knowledge in the execution of its work activities that is of a confidential nature or that can be deemed to be recognized by the agency as being confidential. Except if necessary to comply with any legal obligation, the VPRA agency shall only be allowed to ignore this obligation of secrecy with the permission of the principal.
5. If the VPRA agency does not execute the work activities conform the wishes of the principal, the latter may suggest to the VPRA agency that those work activities should be executed in another manner. If the VPRA agency is not willing to comply with this request, which the VPRA agency is allowed to be, the principal shall have the right to terminate the assignment. The provisions of article 6 of these terms and conditions shall apply to such a termination.

Article 6 Duration and ending

1. Unless it is explicitly agreed upon otherwise in writing, the agreement shall be deemed to have been entered into for an indefinite period of time. An agreement entered into for an indefinite period of time can be terminated at all times with due observance of the term of notice provided for in the agreement, or in the absence of such a provision, with due observance of a term of notice of three months.
2. An agreement entered into for a definite period of time or for the time that is required for the completion of the assignment, may, except if it has been provided for explicitly otherwise in the agreement, only be terminated prematurely by one of the parties with due observance of a term of notice of three months.

3. Upon premature termination of the agreement by the principal in the sense of the preceding article 6.2., the latter shall owe a compensation to the VPRA agency during the term of notice. This compensation shall at least be equal to the average of the fee as invoiced by the VPRA agency over the twelve months preceding the term of notice (or so much shorter as the agreement has lasted). The above applies without prejudice to the obligation of the principal to pay the invoices for the work activities that the principal has executed by the VPRA agency during the term of notice, in as far as the amount of these invoices exceeds the aforementioned average.
4. Upon premature termination of the agreement by the VPRA agency the agency can not claim any form of compensation other than for the work activities executed by the VPRA agency during the term of notice. The VPRA agency shall be obliged to properly finish the current work activities in a regular fashion until the end of the term of notice, unless the principal shall decide otherwise. If the principal requests so, the VPRA agency shall be obliged to take care of an adequate transfer of the work activities.
5. The VPRA agency shall have the right to terminate the agreement without judicial intervention and without observing a term of notice if the principal is declared bankrupt, applies for suspension of payment, or aims at an arrangement with its creditors outside bankruptcy or suspension of payment, this without prejudice to the right of the VPRA agency to claim damages because of premature termination.
6. The agreement shall end, without prejudice to the provisions of the articles 408-410 book 7 of The Netherlands Civil Code and without prejudice to the provisions of the preceding paragraphs of this article:
 1. by the completion of the assignment;
 2. if the completion of the assignment has become impossible because of force majeure.

Article 7 Fees, costs and invoices

1. The fee charged by the agency shall be based on hour tariffs, unless another manner of remuneration has been agreed upon. Other remuneration can be a fixed compensation per time unit (retainer fee) or a fixed price (per project or assignment).
2. The VPRA agency shall have the right to adjust its hour tariffs and/or fees that are determined on a different basis pursuant to the agreement, by indexing. Indexing can only take place maximally once per year and not earlier than three months after the establishment of the agreement. Raises as mentioned in the preceding sentence, shall only be charged after the principal has been informed about them. Indexing shall take place using the Consumers' Price Index figures (CPI), Employees' families with a low income, on the basis of 1990 = 100, as published by The Netherlands Central Bureau of Statistics (CBS), and this by multiplying the tariffs applying until the date of adjustment each time with a fractional number, the numerator of which is the annual price index figure, applying to the most recently past calendar year before the date of the effectuation of the adjusted tariffs, and the denominator the annual price index figure, applying to the calendar year preceding that most recently past calendar year.
3. If the work activities are carried out conform budgets agreed upon beforehand that have been based on the hour tariffs, the VPRA agency shall not be allowed to deviate from these budgets, except for indexing as described in the preceding paragraph of this article or in the case of premature change of the agreement by the principal. If the principal reduces the size of the agreement prematurely, the principal shall continue to pay the original fee for as long as has been provided for in article 6, that provides for the termination of an assignment. The VPRA agency shall be obliged, if an excess of the

mutually approved of budget can be foreseen, to inform the principal immediately of this, and if necessary, to submit a new budget for approval.

4. Apart from the fee, the agency costs and the costs of any third parties used by the VPRA agency within the framework of the agreement shall be owed. On budgets and invoices the costs are distinguished as follows: fee of the agency, agency costs and, if applicable, costs of third parties. Agency costs shall be deemed to include costs of telephone, facsimile transmitter, stamps, costs of couriers, cost of photocopies, costs of cuttings and costs of travel and stay.
5. In principle the principal shall pay the costs of third parties directly. If the payment of third parties is done through the VPRA agency, the VPRA agency shall have the right to charge a surcharge for costs of interest and administration. The agency shall also have the right to desire an advance payment with respect to such costs. It is regular that all discounts on supplies by third parties shall be passed on to the principal.
6. Unless it has been agreed upon otherwise the VPRA agency shall invoice the fee and agency costs due over a calendar month each month after the end of that month. Costs of third parties may be passed on immediately after the receipt of the invoices related to them. The payment term for invoices of the VPRA agency is 30 days, while the settlement of debts is excluded. Upon excess of that term, the principal shall owe an interest of 1% per calendar month or part of a calendar month from the date of expiration.
7. If the principal is in default in timely paying of invoices, it shall owe apart from the amount owed and the interest owed, also the judicial and extra-judicial costs of collection, including the costs for attorneys-at-law, bailiffs and collection agencies. The extra-judicial costs of collection are determined to be at least 15 % of the principal sum with interest, this with a minimum of € 70.=.
8. If the parties have agreed that an hour tariff shall be charged, the hours spent on working activities should be specified sufficiently on the invoice.
9. All prices shall be exclusive of VAT, unless it has been mentioned explicitly otherwise.

Article 8 Preparatory work activities

1. If, before an agreement is concluded, the principal requires from the VPRA agency that it should familiarize itself with knowledge with respect to public relations / communication that is specifically relevant for the principal and/or knowledge with respect to the specific problems of the principals, the VPRA agency shall be allowed to claim reasonable compensation for this.
2. Before the VPRA agency carries out these preparatory work activities, it shall notify the principal in writing that costs will be charged for these work activities, also if the agreement is not concluded.

Article 9 Conflicting interests

1. The VPRA agency shall not accept assignments with respect to which the VPRA agency knows or should know that execution of those assignments is contrary to the interests of the principal without prior written permission of the principal.

Article 10 Use of more agencies

1. The principal shall only grant public relations assignments to other PR/Communication agencies / advisers after timely prior consultations with the VPRA agency, irrespective of these agencies or advisers in question are members of the VPRA or not.

Article 11 Copyright

1. The principal shall obtain from the VPRA agency a license that is unrestricted as to its duration for the use of works protected by copyright that are made by the VPRA agency in the execution of the agreement for the benefit of the principal, it being understood that the license only shall apply as soon as and for as long as the principal performs its financial obligations related to the making available of the work protected by copyright.
2. The aforementioned license shall exclusively apply to the use of the work in question by the principal itself. Therefore use by third parties is only allowed after prior written permission of the VPRA agency.

Article 12 Statements and notification

1. Any statements and notification, in whatever form, that shall be made/take place by the VPRA agency on behalf of the principal within the framework of the execution of the agreement shall be submitted to the principal for approval beforehand.
2. Statements and notification made/ done by the VPRA agency on behalf of the principal within the framework of the execution of the agreement shall exclusively occur for the account of and at the risk of the principal. If a complaint is filed against the principal or if court proceedings are instituted against the principal with respect to such statements or notification, the principal shall decide about the form of the defence in consultation with the VPRA agency.
3. If legal proceedings are instituted against the VPRA agency with respect to the statements / notification mentioned in the preceding paragraph or if a complaint is filed against it, the VPRA agency shall inform the principal of this immediately. It shall be decided in consultation between the parties whether the VPRA agency will defend itself independently or whether the principal will act in the proceedings on behalf of the VPRA agency. In both cases all costs of the handling of the complaint and/or the proceedings shall be for the account of the principal, including any order to pay the costs of the proceedings or to contribute in the costs for the benefit of the other party.
4. The principal shall indemnify the VPRA agency and hold it harmless against all claims of third parties based on the (in)correctness and the factual contents of the statements and notification made / done by the VPRA agency on behalf of the principal within the framework of the execution of the agreement.

Article 13 Liability

1. In the case of advising activities the VPRA agency shall be liable for damage resulting from imputable shortcomings in the performance of the obligations resulting from the agreement. Shortcomings are imputable in as far as they concern a manner of acting or negligence on the part of the VPRA agency that can not be expected from a reasonably adequate and reasonably acting public relations / communication adviser.

2. Except in cases of willful intent or conscious recklessness, the liability for damage resulting from shortcomings in the execution of the advising activities shall be limited to the fee received by the VPRA agency for its activities within the framework of the agreement. In the case of agreements that have a duration exceeding six months, in addition a limitation of the aforementioned liability shall apply until maximally the invoice amount over the past six months preceding the shortcoming in question.
3. In the case of liability of the VPRA agency for the delivery of goods, the VPRA agency shall either pay a compensation until maximally the value of the invoice of the goods delivered, or replace the goods delivered free of charge, this to be chosen in its sole discretion.
4. The VPRA agency shall not be liable for imputable shortcomings on the part of third parties used by the VPRA agency with the permission of the principal. In as far as the VPRA agency can claim damages to which the principal is not directly entitled from a third party that it has used with the permission of the principal, the VPRA agency shall do all to make such a claim valid or, respectively, to enable the principal to make such a claim valid.
5. The VPRA agency shall have no obligation to compensate for additional or other damage, including consequential damage, than provided for in the preceding paragraphs of this article.
6. Any claims of the principal as mentioned in this article must be submitted in writing to the VPRA agency within six months after the discovery of the shortcoming or after the point of time at which the shortcoming could reasonably have been discovered, in default of which the claims will have become invalid.

Article 14 Financial obligations

1. If the principal is in default in performing its financial obligations or makes demands on the VPRA agency that are in contravention of the VPRA Behavioural Code, the member in question shall be obliged to report this to the Board of the VPRA.

Article 15 Complaints

1. The VPRA agency must observe the professional rules as laid down in the VPRA Behavioral Code. A copy of the Behavioral Code can be made available by the secretariat of the VPRA upon a request to do so addresses to the address mentioned in article 1 paragraph 3.
2. If the principal is of the opinion that the VPRA agency has not behaved conform the provisions of the VPRA Behavioral Code, it may lodge a complaint with the Supervising Council. The complaint should be sent to the secretariat of the VPRA.

Article 16 Disputes

1. Any disputes between the principal and the VPRA agency resulting from or related to the agreement or its execution shall be solved by the court that has jurisdiction in the place of establishment of the VPRA agency.
2. These general terms and conditions and the agreement shall be governed by The Netherlands law.