

GENERAL TERMS AND CONDITIONS**1. Goods and/or Services**

1.1 Supplier agrees to sell to Cirque du Soleil Inc. or any of its affiliated entity as indicated in the P.O., the Goods ("Goods") and/or to provide the services and the deliverables ("Deliverables") if any, ("Services"), described on the purchase order, change order or blanket master agreement ("P.O.")

1.2 These Terms and Conditions shall be part and apply to any P.O. issued by Cirque du Soleil Inc., or any of its affiliated entity ("Cirque").

1.3 The Goods and/or Services shall comply with the industry standards and all applicable laws and regulations and shall be fit for the use contemplated by Cirque, unless expressly accepted otherwise in writing by Cirque.

1.4 Supplier hereby warrants to Cirque that: (i) Supplier is the absolute beneficial owner of the Goods and/or the Deliverables and is exclusively entitled to possess, dispose and transfer of same pursuant hereto; and (ii) the Goods and/or the Deliverables are exempt of any right, including any Intellectual Property Right of any third party, security, liens, pawn or any other charge of any nature whatsoever created by Supplier or by any person other than Cirque.

2. Price, Packing and Delivery

2.1 In consideration of the Goods and/or Services and subject to Supplier's respect of all the obligations set forth in this P.O., Cirque undertakes to pay to Supplier the price indicated on the P.O. and any applicable tax within 45 days from the later of i) the receipt of an acceptable invoice from Supplier; or ii) the receipt and acceptance of the Goods and/or Services by Cirque. Cirque shall be responsible for any sale, use, good and service, value-added, excise tax or any other applicable tax, with respect to the Goods and/or Services it will receive hereunder ("Taxes"). Supplier shall invoice the amount of any such Taxes which it has the obligation by law to collect from Cirque and shall remit such amount to the appropriate governmental authorities. Neither party shall be responsible for the other party's taxes on net or gross income and and/or capital.

2.2 Should any compensation payable by Cirque to Supplier be subject to withholding taxes, Cirque shall retain the appropriate amount and shall remit such amount to the applicable governmental authorities. The parties hereto agree to cooperate with each other to obtain the appropriate certificates of reduction or exemption of taxes, wherever applicable.

2.3 Unless otherwise mentioned in the P.O., Supplier agrees to assume and be responsible for all risks related to deterioration, loss, damage, destruction of the Goods and/or Deliverables until Cirque has taken full possession of the Goods and/or Deliverables at a time and place as agreed to in writing by both parties or as per agreed INCOTERMS. Supplier will be responsible to properly prepare the Goods and/or Deliverables for transportation in accordance with best industry and regulatory practices and as relates to packaging and marking with special regard towards Goods and/or Deliverables considered as perishable, fragile, high value or dangerous for transportation purposes.

2.4 Subject to the agreed INCOTERMS, Supplier will be responsible (per P.O.), to provide the necessary export and/or import documentation required for the proper transport and customs clearance operations including, but not limited to, commercial invoice with all relevant information as required by customs, packing list, certificate of origin, MSDS, dangerous goods declaration and any other certifications or special documentation without which the Goods and/or Deliverables may not be accepted for transport or customs clearance. Any and all documentation produced by Supplier must indicate the P.O. number related to the Goods and/or Deliverables.

2.5 In the event that Supplier is responsible for the transport and/or customs clearance up to the designated delivery point, Supplier will ensure full compliance with the prevailing transport, customs and security regulations applicable at the time of shipment. Furthermore, Supplier will endeavor to appoint only properly certified service providers (ie: C-TPAT/PIP for North America or other designations as may apply depending on the territory of origin), for the transport and handling of Goods and/or Deliverables for Cirque.

3. Modifications

3.1 Cirque may request, by way of written notice, modifications to the Goods and/or Services. All modifications required shall be made without additional cost for Cirque, provided that: (i) they do not require Supplier to render services or acquire materials that are not provided for in this P.O.; (ii) they are not related to services already completed by Supplier; or (iii) they shall not put Supplier in default of respecting the delivery date.

3.2 Should the required modifications not meet the conditions set forth in Section 3.1, Supplier shall provide Cirque with a written estimate of the costs and additional time required to proceed with the modifications. In the event that Cirque approves in writing the estimate, a change order will be issued by Cirque. Additional costs to be incurred by Supplier to acquire additional materials or to pay for the increase of labor in order to proceed to such modifications shall be payable in accordance with Section 2.1.

4. Inspection and acceptance

4.1 The Goods and/or Services to be provided shall be, at all times, subject to Cirque's inspection and acceptance.

4.2 Should Cirque not be satisfied with the Goods and/or Services, Cirque shall have the right to refuse the Goods and/or Services and return the Goods and/or the Deliverables, to Supplier at Supplier's cost. Cirque reserve the right to not pay for the Goods and/or Services, for which it is unsatisfied.

5. Intellectual Property Rights

5.1 For the purposes of this P.O., "Intellectual Property Rights" means any and all rights, titles and interests whether now enacted, conferred or recognized or that may be enacted, conferred or recognized in the future, under any Canadian or foreign legislation including, without limitation, any and all copyrights, neighbouring rights, patents, trademarks, industrial designs, confidential information or other intellectual property right of any kind, whether registered or unregistered, and any application for any of the foregoing. Supplier agrees that in all cases and for all purposes, Cirque owns and/or controls all rights, including all Intellectual Property Rights, in any information, concept, content, specifications or any other element provided by Cirque to Supplier. Except as requested in writing by Cirque, Supplier shall never use such information, concept, content, specifications, or any other element for any purpose whatsoever other than for the purpose of this P.O.

5.2 Supplier represents and warrants that the Goods and/or the Services do not infringe any Intellectual Property Right of any third party.

5.3 Supplier hereby irrevocably assigns to Cirque all Intellectual Property Rights it may have in the Deliverables. Such assignment being effective as of the date of inception of any such Intellectual Property Rights and being made without any limitation as to duration, territory, medium, sector of market, purpose or other limitations relating to the scope of the assignment. Supplier undertakes to obtain a similar assignment and waiver from all of its employees, subcontractors or other representatives acting on its behalf in the performance of this P.O. This assignment excludes: (i) any Intellectual Property Right held by Supplier prior to or independent of the issuance of this P.O., if any; and (ii) any expressly stated exclusion mentioned on the P.O. Supplier hereby irrevocably waives any moral right it may have in the Deliverables.

6. Confidentiality

6.1 In this Section 6, "Confidential Information" shall mean the content of the P.O. and all information disclosed, in any manner whatsoever, by a party to the other party, whether before or after the supply of Goods and/or execution of Services. Notwithstanding the foregoing, Confidential Information shall not include information: (i) that was in the public domain prior to its disclosure; (ii) that enters the public domain without any violation of any obligation of confidentiality; or (iii) for which the disclosure is required by Law.

6.2 Each party hereby acknowledges that Confidential Information of the other party is a valuable trade secret of such party and each party hereby agrees to maintain and protect same in the strictest confidence, not to disclose same to any third party without the other party's prior written consent and not to use same other than for the purposes of performing its obligations hereunder. Each party shall be liable for any failure by its affiliates, employees, officers, directors, agents, subcontractors or any other person acting on its behalf (including the employees of such persons) to comply with the confidentiality obligations set forth in this Section 6. Where a party is required by Law to disclose any Confidential Information, it shall give as much advance notice to the other party as it is reasonably able and shall use reasonable efforts to limit the extent of any such disclosure. The obligations set forth in this Section 6 shall survive expiration or termination for any reason of this P.O.

7. Guarantee

7.1 Supplier hereby guarantees that on their delivery date, the Goods and/or the Deliverables shall be new, in good working order, fit, form, functioning reliably, and free of defects as to their design, workmanship, parts and materials.

7.2 Unless mentioned otherwise on the P.O., Supplier shall guarantee the Goods and/or the Services, for a period of one (1) year from their date of delivery and/or execution ("Guarantee Period") against any defect ("Defect"). Normal wear and tear is excluded from this guarantee.

7.3 Should any Defect be found during the Guarantee Period, Supplier, after receipt of a notice from Cirque to that effect, undertakes, at its sole cost and expense (including without limitation materials, labor, transportation, travel and lodging costs), to correct, repair or replace or to have corrected, repaired or replaced such Defect by its duly authorized representative, which shall have been approved in advance by Cirque. None of the above stipulations of this Section 7 shall be interpreted to reduce Supplier's responsibilities and the warranties provided under any applicable Law.

8. Termination

8.1 Should a party fail to perform any of its material obligations under this P.O. ("Defaulting Party"), the other party ("Non-Defaulting Party") shall send a written notice to the Defaulting Party to such effect ("Termination Notice"). In the event that the Defaulting Party fails to remedy such default within the period set forth in the Termination Notice, the Non-Defaulting Party shall have the right to terminate the P.O.; shall be released from its obligations hereunder; and shall have the right to exercise any recourse or remedy that it may have under this P.O. or at Law.

8.2 Notwithstanding anything to the contrary, Cirque may, at all times and at its sole discretion, without cause and upon giving to Supplier a thirty (30) day Termination Notice in writing, terminate the P.O. by paying to Supplier an amount based on the Goods delivered and/or Services completed up to the date set forth in the Termination Notice, on a pro rata basis of the price indicated on the P.O. Should Cirque exercise this right, Cirque shall have no other obligation, or responsibility towards Supplier regarding the P.O. and Supplier hereby waives its rights to claim any damage, cost or expense from Cirque further to such a termination (including without limitation loss of profit and opportunity).

GENERAL TERMS AND CONDITIONS**9. Indemnification and Insurance**

9.1 Each party ("Indemnifying Party") shall indemnify, save and hold harmless the other party and its affiliates, directors, officers, employees, agents and any other persons acting on their behalf ("Indemnified Parties"), and shall assume the Indemnified Parties' defence by retaining the services of attorneys approved in advance by the Indemnified Parties, from, against and in respect to any loss incurred by the Indemnified Parties, where such loss is attributable to: (i) any failure by Indemnifying Party to perform or comply with any covenant or other obligation stipulated or arising out of the P.O. or any applicable Law, including but not limited to, any obligation of Indemnifying Party in respect of its employees, subcontractors or other representatives acting on its behalf in the performance of its obligations hereunder; or (ii) any damage to any property or any injury or death of any person resulting from the negligence, fault or omission of Indemnifying Party, or of any of its employees, subcontractors or other representatives acting on its behalf in the performance of its obligations under the P.O.

9.2 Supplier shall procure at its own cost and maintain the following insurance policies: (i) a comprehensive general liability insurance policy in the amount of One Million Canadian Dollars (CA\$1,000,000) or the equivalent in the local currency, per occurrence including contractual liability, cross liability and products and completed operation, on an occurrence basis; (ii) if applicable, a professional liability insurance policy covering errors and omission in the performance of the Services in the amount of One Million Canadian Dollars (CA\$1,000,000) or the equivalent in the local currency, per claim, on a claim's made basis; (iii) If applicable, a Workers' Compensation insurance, or local equivalent, within the statutory limits and Employers liability (or contingent employers liability) in the amount of One Million Canadian Dollars (CA\$1,000,000) or the equivalent in the local currency; and (iv) if applicable, a property insurance policy covering damage to the Goods and/or the Deliverables, for their full replacement value until Cirque takes possession of them as indicated on the P.O., including while in transit. Cirque, its affiliates, employees, officers, directors and agents shall be named as additional insured on the general liability insurance policy.

10. Penalty

Should Supplier fail to meet a date specified on the P.O., Cirque shall impose to Supplier a penalty equivalent to 1% of the price indicated on the P.O. per day of delay ("Penalty"). The Penalty shall be deducted from the last payment owed to Supplier pursuant to the P.O. or shall be payable by Supplier upon receipt of an invoice from Cirque indicating the number of calendar days of delay. Supplier hereby waives its right to contest said invoice.

11. General

11.1 **Responsible Procurement:** Cirque is a corporate citizen that strives to achieve a balance between its economic, social and environmental interests by acting in a manner that is socially meaningful and responsible. Cirque has developed and implemented a responsible procurement policy which principles are available at the following hyperlink: http://www.cirquedusoleil.com/en/~media/about/global-citizenship/pdf/ResponsibleProcurement_Policy.pdf ("Responsible procurement Policy"). In that respect, Supplier agrees to abide to such principles through the fulfilment of its obligations under this P.O. Supplier's compliance with the Responsible Procurement Policy is a material condition of this P.O.

11.2 **Assignment and Subcontractors:** Supplier may not assign, subcontract or otherwise dispose of the P.O., its obligations hereunder or any part thereof, unless (i) it first obtains prior written consent of Cirque, which Cirque may withhold in its sole discretion; (ii) the assignee or subcontractor, as applicable, agrees in writing to respect all the terms and conditions of the P.O. and (iii) Supplier guarantees without the benefits of division and discussion, all of the assignee's or subcontractor's obligations under this P.O.. Cirque may at any time assign the P.O., to any of its affiliated entity, which is an entity directly or indirectly controlled, controlling or under the same control as Cirque, upon giving notice thereof to Supplier, provided that the assignee assumes all of Cirque's obligations hereunder.

11.3 **Publicity and Use of Intellectual Property:** Unless required by Law, neither party shall make any public announcement or issue any release concerning the P.O. and/or transactions contemplated hereby. Supplier, including without limitation its affiliated entities, employees, agents, subcontractors or any other person acting on its behalf, shall not use the name, trademarks or any other intellectual property of Cirque in any advertising, promotional materials or for any other reason, without Cirque's prior written consent, which consent may be withheld at Cirque's sole discretion. The obligations set forth in this Section shall survive the expiration or termination of this P.O.

11.4 **Independent Contractors:** Supplier is and shall remain at all times an independent contractor and shall not represent itself as the agent, joint venturer, partner or employee of Cirque or to be related to Cirque other than as an independent contractor. Cirque shall not be bound in any manner whatsoever by any agreement, guarantee or representation made by Supplier to any person or by any action of Supplier.

11.5 **Entire Agreement:** The P.O., these General Terms and Conditions and any schedule attached hereto constitute the entire agreement between the parties and supersede all previous oral or written communications and proposals in respect thereof. The P.O. and these General Terms and Conditions may not be modified except by supplements duly executed by the parties.

11.6 **Invalidity:** If any term of the P.O. or these General Terms and Conditions is held invalid or unenforceable, the remainder of the P.O. or these General Terms and Conditions will remain valid and enforceable to the full extent permitted by Law. Any term which is invalid or unenforceable shall be replaced by a term as nearly identical as may be possible and as may be legal, valid and enforceable.

11.7 **Applicable Law:** Unless mentioned otherwise herein, the P.O., these General Terms and Conditions and all matters regarding their interpretation and/or enforcement hereof, shall be governed exclusively by the laws in force in the Province of Québec, Canada.

11.8 **Acceptance and acknowledgement of the Terms and Conditions:** Supplier's acceptance and acknowledgement of these Terms and Conditions and the P.O. shall occur upon the earlier of: i) written acknowledgement of acceptance via email or otherwise by Supplier; or ii) delivery of the Goods or commencement of the Services by Supplier.

11.9 **Order of Precedence:** Unless otherwise agreed in writing by both parties, in the event of a contradiction or a conflict, the following order of precedence shall apply: i) The Terms stated on the face of the P.O.; ii) The Master or Long Form Agreement, if applicable; and iii) These Terms and Conditions.

11.10 **Language (for Quebec only):** The parties have requested that the P.O. and these General Terms and Conditions and all documents contemplated hereby or relating thereto be drawn up in English. *Les parties ont requis que ces termes généraux et tous les documents qui y sont prévus ou s'y rapportant soient rédigés en langue anglaise.*