

CONTRACT FOR SERVICES

THIS AGREEMENT is made and entered into this 3rd day of November

by and between Advanced Entertainment Technologies, Inc, a State of Maryland corporation in the United States, d/b/a Image Engineering with an address at P.O. Box 16695, Baltimore, MD 21221, USA hereinafter referred to as "Performer" and First Night Harrisonburg with an address at P.O. Box 1414, Harrisonburg VA 22803, hereinafter referred to as the "Purchaser."

WITNESSETH:

WHEREAS, the Performer is in the business of providing visual effects and pyrotechnic equipment; and

WHEREAS, the Purchaser wishes to hire the Performer to engage in a performance, or a series of performances, as hereinafter defined, during the term of the Agreement; and

WHEREAS, the Performer and the Purchaser desire to set forth the terms and conditions under which each is obligated to perform hereunder.

NOW, THEREFORE, the Performer and Purchaser, in consideration of the mutual promises hereinafter set forth, do promise and agree as follows:

1. **Performance.** Performer shall provide Purchaser the laser entertainment performance or equipment specified on Exhibit A attached hereto and incorporated herein by reference (the "Performance"). Such Performance shall be on the Performance Date at the Performance Site and will be additionally referred to as Harrisonburg First Night. The Purchaser shall supply at its own expense, or reimburse as specified, those times listed in Exhibit "B". For purposes hereof, the following terms shall apply:

(a) "Performance Date" shall mean January 1, 2015

(b) Performance Load-in Date December 31, 2014

(c) "Performance Site" shall mean:

Address: Casco Ice Building
217 Liberty St.
City: Harrisonburg
State: VA

Purchaser shall cause the Performance Site to be accessible to Performer on the Performance Setup Date to the extent deemed necessary by Performer, and Purchaser hereby indemnifies Performer and shall hold it harmless against any damages, costs, expenses, lost profits or other obligations incurred by any party as a result of Purchaser's failure to make the Performance Site so available.

2. **Consideration.**

2.1. **Performance Price.** In consideration for the Performance as set forth on Exhibit A, Purchaser agrees to pay Performer the amount of Eight Thousand Seven Hundred Fifty United States Dollars (U.S. \$8,750.00), and if additional services are requested beyond the scope set forth on Exhibit A, or for times or locations other than the Performance Date and/or the Performance Site, the Purchaser shall pay for such additional services prior to the Performance at the rate quoted to Purchaser by Performer or its duly authorized representative for such additional services (collectively, the "Performance Price").

2.2. **Down Payment.** Purchaser shall pay the sum of Four Thousand Three Hundred Seventy Five United States Dollars (U.S. \$4,375.00) upon the execution of this Agreement as a nonrefundable deposit which shall be applied toward the total Performance Price set forth in Paragraph 2.1, above.

2.3. **Payment of Balance.** The balance of the Performance Price (U.S. \$4,375.00) shall be due and payable immediately following the performance. In the event Purchaser fails to pay the balance of the Performance Price when due but Performer elects to present the Performance on Purchaser's assurances that the balance due shall be paid, Purchaser shall remain responsible for paying to Performer the full Performance Price specified in Paragraph 2.1, above. Outstanding balances not paid when due shall be subject to a late charge from and after the due date at the rate of the lesser of one and one-half percent (1-1/2%) per month or the maximum interest rate permitted by law, which late charge will be payable on demand by Performer. No discounts or advances will be made by Purchaser unless expressly agreed to in advance by Performer. The Purchaser shall be responsible for the entire amount specified in 2.1 even if the Purchaser shall elect not to proceed with the performance dates as specified in Exhibit A.

3. **Purchaser's Obligations.** Purchaser shall provide at its sole expense sufficient security services to protect the Performer's personnel and equipment, and if Performer in its sole discretion deems it necessary to provide additional security services, Purchaser shall pay any and all reasonable charges for such additional security services. In

addition, Purchaser agrees to provide at its sole cost and expense all additional items and services set forth on Exhibit B attached hereto and incorporated herein.

4. Replacement Material. Should it be necessary for Performer to discontinue certain segments of the Performance for any reason, said segments will be replaced with material selected by Performer and which is, in the Performer's sole judgment, suitable replacement material.

5. Usage Fees. Unless otherwise indicated on Exhibit A, Purchaser shall secure all music programming and other sound effects as reasonably required by the Performer for the Performance. Purchaser shall pay for any and all royalties or other usage fees in connection with such music programming and/or sound effects.

6. Permits. Performer's obligations under this Agreement are contingent on all approvals and permits required for the successful presentation of the Performance. Purchaser shall be responsible for obtaining at its sole cost and expense all such approvals and permits, and Purchaser shall deliver satisfactory evidence of such approvals and permits upon request of Performer. In the event all such approvals and permits are not obtained, Performer shall keep the deposit made under Paragraph 2, and Performer shall have no further liability or obligation to Purchaser hereunder.

7. Force Majeure. If the Performer shall be incapacitated from performing hereunder by reason of illness, accident, interruption or failure of sources of materials, supplies, equipment, labor and transportation, government orders, physical disability, riot, sabotage, break-down of equipment, wind, rain or other element or Act of God, or other causes or conditions beyond the Performer's reasonable control, the Performer shall have the option to either (i) cancel any individual performances affected thereby during the term of this Agreement and refund or credit to the Purchaser a pro rata portion of the Performance Price or (ii) substitute a performer which is, in the Performer's sole judgment, reasonably equivalent. In the event that a performer is substituted, the Performer shall be entitled to the full Performance Price for any such Performance or Performances as contemplated herein and the Performer shall be responsible for paying all fees to such substitute performer.

8. Insurance, Security and Indemnity. The Performer shall provide, at its sole expense, a sufficient amount of liability insurance to fully cover injury to property or persons arising from any negligent or willful acts or omissions of the Performer, its employees or agents at the Performance Site. The Purchaser shall provide, at its sole expense, a sufficient amount of liability insurance to fully cover injury to property or persons arising from any act or omission of any person other than the Performer, its employees or agents. Purchaser hereby indemnifies and holds Performer harmless from and against any and all losses, damages, claims, liabilities or obligations (including reasonable attorneys' fees) incurred by Performer resulting from the acts or omissions (whether negligent or not) of any persons other than Performer, its employees or agents in connection with or relating to the Performance (including without limitation acts or omissions in connection with the set-up or take-down of equipment or occurring at locations other than the Performance Site). Without limiting the generality of the foregoing, Purchaser shall be responsible for all costs and expenses (including reasonable attorneys' fees) incurred by Performer (i) for all damages to or loss of any of Performer's equipment resulting from the acts or omissions (whether negligent or not) of any persons other than Performer, its employees or agents, and (ii) in the collection of any delinquent amounts payable by Purchaser to Performer.

9. Purchaser's Use of Performer's Equipment.

9.1. DISCLAIMER. WITH RESPECT TO THE PERFORMANCE, AND IN THE EVENT THAT THE PERFORMER PROVIDES EQUIPMENT FOR USE BY THE PURCHASER, WITH RESPECT TO SUCH EQUIPMENT, THE PERFORMER MAKES NO WARRANTIES (INCLUDING IMPLIED WARRANTIES AND MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE). PERFORMER HEREBY DISCLAIMS AND EXCLUDES ALL EXPRESS OR IMPLIED WARRANTIES. FURTHERMORE, THE PERFORMER SHALL NOT BE LIABLE TO THE PURCHASER OR ANYONE CLAIMING UNDER PURCHASER FOR ANY DIRECT, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES OR OTHER DAMAGES OR DAMAGES FOR LOSS OF USE, REVENUE OR PROFIT OR FOR COST OF CAPITAL OR SUBSTITUTE PERFORMANCE, LOSS OF FACILITIES OR SERVICES, DOWNTIME, CLAIMS OF THIRD PARTIES OR ANY OTHER LOSS OR COST ARISING OUT OF THE USE OF THE PERFORMER'S EQUIPMENT, WHETHER SUCH LIABILITY IS PREDICATED UPON THEORIES OF WARRANTY, STRICT LIABILITY, NEGLIGENCE, OR RECKLESSNESS OR OTHER THEORY. PERFORMER'S AGGREGATE LIABILITY WITH RESPECT TO BREACH OF THIS AGREEMENT SHALL BE LIMITED TO MONIES PAID BY THE PURCHASER TO THE PERFORMER IN RESPECT OF THE PERFORMANCE PRICE

9.2. Title. During all times that the Purchaser is in possession of any equipment provided by the Performer, the Purchaser acknowledges that legal ownership and title to such equipment shall remain with the Performer. Purchaser shall not cause or permit any liens, claims or encumbrances to be filed against the Performer's equipment.

9.3. Return. Any equipment provided to Purchaser under this Agreement must be returned within twelve (12) hours after the end of the time period set forth in Paragraph 2, above, in the same condition in which it left the Performer's custody, reasonable wear and tear excepted.

10. Property Rights. All copyrights and rights to the sale or use for reproduction by any means of any and all laser effects produced by the Performer and/or its equipment are the property rights of the Performer and may not be used without the prior written consent of the Performer. Purchaser shall not tape, film or record or permit others to tape, film, or record the laser effects produced by the Performer and/or its equipment without the Performer's prior written consent. Any and all taped, filmed, or recorded laser effects produced by the Performer and/or its equipment can be used for promotional purposes by the Performer.

11. Miscellaneous.

11.1. Waiver of Breach. The waiver by either the Performer or the Purchaser of the breach of any provisions of this Agreement by the other shall not be deemed a waiver of any subsequent breach.

11.2. Headings. The headings used in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of this Agreement or the intent of any provisions thereof.

11.3. Limitation of Remedy. In the event of any breach hereunder by Performer, Purchaser's remedy shall be limited to the refund of the Performance Price set forth in Paragraph 2, above. Such remedy shall be exclusive and in lieu of all other remedies.

11.4. Notice. Any notice required or permitted to be given hereunder shall be deemed to be sufficiently received in all respects when personally delivered or when deposited in the United States mail, registered or certified mail, postage prepaid, addressed to the Performer or the Purchaser at its respective principal business address listed above or to such other address as specified by a party hereto by notice duly given.

11.5. Assignment. Except as otherwise provided herein, this Agreement shall not be assignable by either party without the written consent of the other, except that if the Performer shall liquidate, merge, or consolidate with or into, or transfer substantially all of its assets, including goodwill, to another corporation or other form of business organization, then this Agreement shall, at the option of Performer, be binding upon and inure to the benefit of the successor corporation in such liquidation, merger, consolidation or transfer.

11.6. Governing Law. The parties hereby irrevocably and unconditionally consent to submit to the exclusive jurisdiction of the courts of the State of Maryland and of the Federal District Court for the District of Maryland for any actions, suits, or proceedings arising out of or relating to this Agreement and the transactions contemplated hereby (and the parties agree not to commence any action, suit, or proceeding relating thereto except in such courts), and the parties further agree that service of any process, summons, notice, or document by United States registered mail to the address set forth above shall be effective service of process for any action, suit, or proceeding brought in any such court. The parties hereby irrevocably and unconditionally waive any objection to the laying of venue on any action, suit, or proceeding arising out of this Agreement in the courts of the State of Maryland or the Federal District Court for the District of Maryland, and hereby further irrevocably and unconditionally waive and agree not to plead or claim in any such court that any such action, suit, or proceeding brought in any such court has been brought in an inconvenient forum. This Agreement shall be governed by, and construed in accordance with, the internal laws of the State of Maryland and the federal laws of the United States of America.

11.7. Binding Effect. This Agreement shall be binding upon the parties hereto, their respective heirs, successors and assigns.

11.8. Complete Agreement; Amendment. This Agreement and the exhibits attached hereto contain the full and complete understanding and agreement of the parties and supersedes all prior agreements or understandings, whether oral or written, between the parties with respect to the subject matter hereof. This Agreement may not be modified, amended, terminated or discharged orally. The invalidity of any provision or clause of this Agreement shall not affect the validity of any other provision or clause.

11.9. Confidentiality. Purchaser acknowledges that the terms and conditions of this contract were arrived at through direct negotiation between Performer and Purchaser and such terms and conditions may not be made available to the public. Therefore Purchaser agrees that, unless required by law, it shall hold the terms and conditions of this contract, including without limitation price and payment terms, in strict confidence. Purchaser shall inform its employees and agents of the confidential nature of this Agreement and shall not permit the disclosure thereof without the written prior consent of Performer.

11.10 Security Interest. In partial consideration for the Performer's agreement to perform services for Purchaser pursuant to this Agreement, Purchaser hereby grants to the Performer and the Performer hereby retains a security interest in all equipment relating to the Performer and documents relating to such equipment now or hereafter in the possession of or under the control of the Purchaser, regardless of mode of attachment to realty or other property, title to which might at any time be determined to have passed the Purchaser, to secure all of the Purchaser's obligations to the Performer under this contract and all other obligations of the Purchaser to the Performer. The Purchaser agrees to execute Performer to evidence or perfect the security interest granted herein and the interest of the Performer as the owner of the equipment. If the Purchaser fails to perform any of its duties set forth in this contract, the Performer is authorized in the Purchaser hereby appoints the Performer as its attorney-in-fact for such purpose. Upon termination of this Agreement for any reason, Performer shall have all of the rights and remedies provided by law including, without limitation, the rights of a secured party under Maryland Statutes or any successor statute or similar statute in the jurisdiction when the Purchaser is located or has stored the equipment.

11.11 Insurance. The Purchaser agrees to protect the Performer's interest in the equipment by adequately insuring the equipment (from and after delivery) against loss or damage, and shall name the Performer as an additional insured pursuant to such policy.

written

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day, month and year first above

PERFORMER:

Advanced Entertainment Technologies Inc., d/b/a Image Engineering

BY _____

Andrew Suehle

Its Representative _____

PURCHASER:

11-10-2014

BY: _____

BY: _____

PRINTED NAME

Its _____

Title

Executive Director
First Night Harrisonburg 2015

EXHIBIT B

Project: Harrisonburg First Night

Purchaser: First Night Harrisonburg

Performance Date(s): 1/1/2015

The client must arrange and pay for the following:

- **Parking for Image Engineering employees.**
- **(2) Hotel rooms for check in 12/31/14, check out 1/1/15.**

- Notes:
1. The Purchaser is responsible for all union labor charges.
 2. Power connections must be within 100 feet of laser location, unless prior arrangements are made with Image Engineering.