

**General Terms and Conditions of Sale and Delivery**

**1. General.** The following terms and conditions of delivery apply to all contracts for deliveries from the **HOT Productions & Vertriebs GmbH, Wagrain Str. 35, 4840 Vöcklabruck, Austria** (subsequently referred to as the Supplier) to businesses (subsequently referred to as Customers), in so far as they are not altered or ruled out with the express written consent of the Supplier. Deviating Terms and Conditions of the Customer shall apply only to the extent the Supplier has expressly agreed on in writing and only apply for the business for which they were agreed upon. These Terms and Conditions shall apply as the general conditions to all further legal transactions between the Contracting Parties. Completing a purchase contract with a consumer is not possible.

**2. Completion of a Contract.** The order of the Customer constitutes an offer. The contract comes into being when either a written order confirmation is submitted by the Supplier or when the ordered goods have been sent. The Customer can submit the offer in writing, by fax, by e-mail or by phone. By his/her order the Customer states that he/she agrees to our Terms and Conditions.

**3. Prices.** All prices quoted by the Supplier are, unless otherwise expressly noted, net prices. They do not include any statutory value-added tax. All retail prices included in catalogs, brochures or on labels are shall only be understood as recommended, non-binding prices. If the goods are delivered to a non-EU-countries, additional duties, taxes or charges may be due to be paid by the Customer to the relevant customs and tax authorities of a given country.

**4. Terms of Payment, Default Charges.** Delivery is executed against a commercial invoice, a payment in advance or cash on delivery. Unless otherwise agreed, the invoices are to be paid within 10 days of the date of the invoice. In case of payment delays, partial payments included, any discount agreements shall also cease to be valid. Payments made by the Customer shall not be recognized as paid until they have been credited to the Supplier's business account. In case of a delayed payment the Supplier reserves the right to the compensation for the loss actually incurred as well as to charge the default charges in the amount of 9% above the base lending rate of the National Bank of Austria.

**5. Right of Retention, Reservation of Ownership.** The Customer may only exercise a retention right if the claim is related to the same contractual relationship. The Supplier reserves title to the goods until all demands from the current business relation have been completely settled. Before the delivery of the reserved goods, the Customer is forbidden to mortgage or transfer the ownership of the goods. The Customer may resell the goods in the ordinary course of business. In this case, the Customer hereby assigns to us all payments to the amount of the invoice total accrued from the resale. The Customer is still authorized to collect payment. The Supplier shall reserve the right, however, to collect payment on their own, insofar as the Customer fails to comply accordingly with their payment obligations. In cases where the retained goods are combined and commingled, the Supplier shall acquire co-ownership of the new items in the proportion of the invoice value of the retained goods to the other processed objects at the time of processing.

**6. Avoidance of Contract.** If the Customer cancels the contract without being entitled to do so or if requests the cancellation, the Supplier has the option to insist on the fulfillment of the contract or to consent to the cancellation of the contract; in the latter case, the Customer will be obligated to pay, at our own choice, either flat rate compensation for damage in the amount of 15% of the gross invoice amount or the actually incurred damage.

**7. Costs of Reminders and Collection.** In case of delay with their obligations, the Customer shall undertake to recompense the Supplier for the arising reminder and collection costs, as far as they are required for the adequate assertion of legal right and are in a reasonable proportion to the account presented; whereby in particular the Customer undertakes to reimburse at a maximum the fee charged by the collection agency employed that derives from the BMwA regulation governing maximum rates of payment chargeable by collection institutes. Insofar as the Supplier operates the reminder system itself, the Customer (the debtor) shall undertake to pay an amount of € 12,00 for each reminder issued, and an amount of € 5,00 half-yearly for keeping a record of the debt relationship within the reminder system.

**8. Delivery, Transport, Delayed Acceptance.** Delivery shall be made ex works. From 700 € free delivery. Partial shipments are permitted and naturally may be charged by the Supplier, as long as it doesn't cause any extra shipping costs for the Customer. In case of the payment in advance by bank transfer, the goods will be shipped only after the Supplier have received the full payment of the order value including shipping costs. The shipping is at the risk of the Customer. Insofar as the customer requires, the shipment shall be covered with a transport insurance; the costs incurred to this extent will be borne by the Customer. The selling prices do not include the shipping costs. In the event that the Customer has not accepted the goods as agreed (delayed acceptance) the Supplier shall, after failure to meet an extended time limit, have the right to store the goods on its premises. At the same time, the Supplier is entitled to insist on the fulfillment of the contract or, after an extension time of at least two weeks, to withdraw of the contract and use the goods for other purposes. The Customer shall continually bear the transport risk.

**9. Terms of Delivery.** The Supplier shall have the right to exceed the agreed dates and terms of delivery by up to four weeks. Only after elapse of this period may the Customer withdraw from the contract after first setting a reasonable extended time limit. Transportation stoppages, re-routing of good, strikes, elementary events as well as official and legal measures that may delay the delivery extend the scheduled delivery term. In case of the products prepared according to the Customers' request, the above mentioned delivery term applies from the moment of the printing or production approval.

**10. The Place of Supply.** The place of supply is the place where the Supplier is established.

**11. Minor Modifications to the Services.** Minor or other modifications to our services or delivery obligations that are acceptable to our Customers are deemed approved. This shall apply especially for deviations of a material nature (e.g. modifications of designs or colors etc.).

**12. Warranty, Obligation to Inspect and Register Complaints.** Without regard to the cases in which the legal right to change that cannot be waived applies, the Supplier reserves the right to fulfill any warranty claim either through repair, replacement, repair or price reduction. Under all circumstances it is the Customer who has to prove that a fault existed already at the time of delivery. Goods must be examined immediately after delivery. Any defects detected in the course of the inspection shall be communicated to the Supplier immediately, but at the latest within three days from the delivery, stating in writing the type and scope of the defect. Complaints about hidden defects must be made in writing immediately after being discovered. If a complaint about a defect is not made, or is not made in due time, the goods shall be regarded as approved. In these cases, the assertion of warranty claims or compensation for damages, and the right to challenge errors on grounds of defects shall be excluded.

**13. Indemnification.** All claims for compensation shall be excluded in the case of minor negligence. This shall not apply to personal injury. The existence of approximate negligence has to be proved by the aggrieved party. Damage claims shall expire within six months from the knowledge of the damage and the originator of the damage.

**14. Reservation of Ownership and Assertion thereof.** All goods are delivered by the Supplier under reservation of ownership and shall remain the Supplier's property until the has been made in full. The pledging of shares in favor of a third party is excluded.

**15. Product Liability.** Recourse claims in the sense of § 12 product liability law are excluded, unless the recourse claimant proves that the error has been caused in the sphere of the Supplier's and at least can be blamed on gross negligence.

**16. Applicable Law, Jurisdiction.** Austrian law shall apply. The adaptability of the UN purchase right is explicitly excluded. The language of the contract is German. The contracting parties submit to Austrian, domestic jurisdiction. For decisions of all disputes resulting from this contract, the relevant court is the regional court in Wels. The German version of Terms and Conditions is legally binding.

**17. Data Protection, Change of Address, Copyright.** The Customer gives his/her consent regarding the fact that the personal data stipulated in the contract and presented for its carrying out may be stored and processed by the Supplier's automatic systems. The Customer hereby agrees that the Supplier may use the products (and a logo) manufactured for the Customer for advertising purposes (especially brochures, homepage, samples for customers and fairs). The Customer assures that he/she has rights/licenses to all the materials provided for printing as well as that she/he shall indemnify and hold the contractor harmless in this respect. The Customer gives their revocable agreement to receive information on the Supplier's services per e-mail and fax. The Customers agrees to receive order confirmations, invoices and payments electronically.

**18. Other.** We reserve the right to include the company details on the products (partially required by law). Should individual provisions of this contract prove to be fully or partially invalid, it shall not affect the validity of the remaining provisions; in this case, the contracting parties agree to replace the fully or partially invalid or unexecutable provision by a valid or executable one, which would most closely approximate to the intended economic purpose of the fully or partially invalid or unexecutable provision.  
| Vöcklabruck, January 2016