

Bösendorfer

GENERAL TERMS AND CONDITIONS

(B2C, issued in June 2013)

I. General

1. The following GTC shall apply to all deliveries and services performed by the L. Bösendorfer Klavierfabrik GmbH (hereinafter referred to as 'Bösendorfer'), excluding any possible GTC of the Client. Any GTC communicated by the Client shall not apply.
2. Agreements or undertakings deviating from the present GTC shall only be valid if made in writing.
3. Specifications from leaflets, price lists, offers and similar materials are non-binding. We reserve the right to make price changes due to technical progress or errors.
4. The present GTC shall apply exclusively to all future agreements concluded between the Client and Bösendorfer, unless otherwise agreed in writing on an individual basis.

II. Offers, Prices

1. Offers made by Bösendorfer are non-binding. Cost estimates are prepared according to the best of Bösendorfer's professional knowledge. Bösendorfer, however, assumes no liability for their correctness. Cost estimates are made free of charge and without obligation and can be accepted within 90 days of the date of the offer being made. Should cost increases of over 15% arise following placement of the order, we will inform the Client without delay.
2. Unless otherwise stated, all prices include VAT at the level stipulated by law.
3. Maintenance, repair and tuning works requested by the Client shall be charged separately according to the price list applicable at that time.
4. The costs of delivery, assembly and installation are not included in our prices. Such services can be performed on request against separate payment, unless otherwise agreed.

III. Placing of Orders

1. Orders are only deemed valid upon written confirmation of the order and are based on mutual written confirmation from the date of the agreement.
2. If, after the conclusion of the agreement, any circumstances become known to Bösendorfer which raise reasonable doubts about the Client's solvency or willingness to pay, Bösendorfer shall be entitled to withdraw from the agreement or to request securities, advance payment, the provision of a deposit or payment upon delivery.

IV. Deadlines

1. As far as possible, Bösendorfer shall adhere to confirmed or agreed delivery dates. However, the Client is obliged to accept delays in delivery up to 6 weeks without having the right to claim damages or to withdraw from the agreement. The Client shall be given reasonable advance notice of such late delivery.
2. Should the delay exceed the period specified in IV.1 and no obstacle as per IV.3 is present, the Client is entitled to withdraw from the agreement after the expiry of an appropriate period of notice. Withdrawal is only legally valid if made in writing.
3. Special circumstances, such as malfunctions, inadequate performance or non-performance by Bösendorfer's suppliers or forwarders, labour market disputes, occurrences of force majeure and generally all circumstances beyond Bösendorfer's responsibility shall release Bösendorfer from its obligation to deliver and to pay compensations or any mutually agreed default penalties for the duration of the disturbance and its effects. In such cases, Bösendorfer is entitled to delay delivery or performance for the duration of the hindrance including a reasonable restarting time, or to withdraw in part or in whole from the agreement. If the hindrance to performance lasts longer than the period specified in IV.1 plus 4 weeks, the Client has the right after a reasonable period of notice to withdraw from the agreement insofar as it has not yet been fulfilled.

V. Delivery

1. Bösendorfer's plant located in Wiener Neustadt shall be the place of performance for all deliveries.
2. If the Client is delayed in taking receipt, we are entitled to store the goods for the Client for a fee (we charge a storage fee of EUR 5.00 per day) and to insist on fulfilment of the agreement. We are also entitled to withdraw from the agreement after the expiry of a reasonable period of notice (3 months).

VI. Terms of Payment

1. Standard term of payment is payment in advance.
2. Unless stated otherwise, invoices issued by Bösendorfer are payable net cash within 30 days of the invoice date. Deductions are not allowed, unless expressly agreed to in writing.
3. If payment by instalments is agreed and Bösendorfer has performed as agreed, should the Client be late with the payment of one instalment, the total remaining amount shall fall due for payment 6 weeks after a reminder being given with a grace period of 2 weeks.
4. Bills of exchange and cheques are not recognised by Bösendorfer as means of payment.

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Bösendorfer

5. If the Client is late in making payments, Bösendorfer may charge default interest (statutory consumer interest rate plus 2% for each month begun of the delay) on the amount due. In the event of delay imputable to the Client, the Client is obliged to reimburse Bösendorfer for reminder and debt collection costs, to the extent that they are necessary for relevant legal proceedings and are in proportion to the claim, and in particular is obliged to reimburse Bösendorfer in the event that these costs exceed the remuneration due to a debt collection agency pursuant to the decree of the Austrian Federal Ministry for Economy and Labour. If Bösendorfer issues the reminders itself, the debtor is obliged to pay a fee of EUR 12 per reminder issued and to pay a fee of EUR 5 for record-keeping of the debt per six months.

6. The Client waives the possibility of offsetting claims against counterclaims. This, however, does not apply in the case of our insolvency or to counterclaims that are legally related to the liability of the Client, have been established in court or have been recognised by us. In such cases the Client is entitled to offset claims against counterclaims.

VII. Title Retention, Usage Fee

1. All deliveries shall be effected under reservation of ownership in the goods delivered until the purchase price and all additional costs have been paid in full.

2. The Client may only resell the retained goods in the ordinary course of business, and provided that the Client is not in default. Resale is only permitted if Bösendorfer is informed promptly of the name and address of the resale customer and Bösendorfer gives its approval. Further, the Client's customer must not exclude the assignment of receivables arising from the resale. The Client may not pledge retained goods or assign them as a security.

3. In the event of resale or renting of retained goods, the Client shall hereby assign all outstanding accounts against the end buyer to Bösendorfer. The Client and the end buyer shall both remain liable, and the due date shall remain unchanged. The Client shall inform the end buyer of this assignment in writing at the latest when concluding a purchase or renting agreement with him. The Client shall also notify Bösendorfer of the assignment by forwarding a copy of the information sent to the end buyer. If, regardless of the above provision, the Client receives payments from the end buyer, the Client shall forward these payments to Bösendorfer without delay. Such amounts are to be kept separately for remittance and cannot be assigned under any circumstances. Bösendorfer must be promptly informed in writing of any changes to the installation site of retained goods.

4. If the Client is late in fulfilling its obligations, Bösendorfer shall be entitled to reclaim the retained goods irrespective of their location at that time, and to collect them at the Client's expense and risk. It is agreed that the claim for retention of title does not constitute withdrawal from the agreement, unless we expressly declare withdrawal from the agreement. In this case, a usage fee amounting to 2% of the purchase price shall be charged for each calendar month begun, counted as of delivery and ending

with the collection of the instrument. The total amount of the usage fee may not exceed approx. 20% of the agreed purchase price at the level of depreciation usual in the trade. Bösendorfer is also entitled to such usage fee if a purchase agreement is terminated for any other reason after delivery of the goods.

5. Bösendorfer should be notified immediately of any imminent or actual confiscation or seizure of the retained goods by a third party. The Client shall inform the third party of Bösendorfer's title to such goods.

VIII. Warranty

1. In the case of a timely payment of the invoice by the Client, Bösendorfer warrants to the Client for a period of 5 years starting with the invoice date that the instruments delivered are free from defects in materials, manufacturing and construction (as per the warranty conditions); a 2-year warranty applies to electronic components. The statutory warranty periods apply to used and restored Bösendorfer instruments and in the case of merchandise.

2. Bösendorfer assumes no warranty for defects or damages arising from incorrect storage or improper use of the goods by the Client (e.g. excessive humidity or dryness) or from normal wear and tear. Differences in form and tone are possible owing to our instruments being individually manufactured, such as the veneer grain, tone differences, touch; these do not constitute a reduction in quality.

3. Defects that are not claimed immediately should be claimed in writing with a precise description of the defect within 8 days of taking receipt of the goods at the latest. Claiming a defect does not relieve the Client of its payment obligation.

IX. Liability

1. Unless intentional or grossly negligent actions by Bösendorfer or its agents are involved, no claims for compensation shall be admitted, particularly those arising from delayed performance, incapacity or impossibility of performance, positive claim violation, fault at conclusion of the agreement or tortious acts.

X. Repair

1. Repairs shall be carried out at the rates specified in the applicable price list.

2. All repair costs are to be paid immediately upon completion of the repair or return of the instrument.

3. For repairs carried out at Bösendorfer's plant, the provisions of Article XII regarding storage apply. Should instruments not be collected or returned to the Client in some other way within 14 days after completion of the works carried out by Bösendorfer, Bösendorfer may charge a storage fee as per XII.2.

4. Due to repair costs that may arise and eventual storage costs, Bösendorfer has a pledge and a right of retention with respect to the Client's goods in its possession.

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XI. Renting

1. The rental fee is to be paid monthly and in advance. Rental fees do not include any maintenance or tuning services. The responsibility for such tasks is borne by the client. They shall be carried out by Bösendorfer on the Client's request and charged separately.
2. The Client shall bear all risk for the rental property. The Client is obliged to insure the rental property in an appropriate manner, in particular against fire, water, theft and damage, and to provide Bösendorfer with proof of this on request. The Client may only sublet the rental property with the permission of Bösendorfer.
3. Bösendorfer shall not be liable for any damage arising from use of the rental property. The Client shall hold harmless and indemnify Bösendorfer from any claims made by third parties for such damage. The rental property shall serve solely the purpose of playing music and no other use.
4. If the Client is late in paying the rental fee, Bösendorfer shall be entitled to reclaim the rental property irrespective of its location at that time, and to collect it at the Client's expense and risk. In the case of imminent or actual seizure of the rental property, Article VII.5 shall apply.
5. Leasing agreements concluded for an indeterminate period of time may be terminated by either party by a one-month notice at the end of each quarter. Leasing agreements may only be terminated without notice for a serious reason. Fixed-term leasing agreements may only be terminated prematurely for a serious reason. Serious reasons include, in particular, the following: (1) the Client is more than six weeks late in paying the rental fee and does not pay the outstanding amounts in spite of a warning that the agreement will be terminated and a two-week notice period set by Bösendorfer; (2) the Client's financial situation has deteriorated significantly, especially if insolvency proceedings have been instituted with respect to its assets; (3) the Client loses its legal capacity or transfers his residence or registered office into a foreign country; (4) the Client violates any other provision of the agreement and fails to correct the violation within a 14-day notice period; (5) the rental property becomes unusable for reasons attributable to Bösendorfer, and Bösendorfer fails to rectify the defect rendering it unusable within a four-week period of time set by the Client in writing, or to replace the rental property with another comparable item.
6. Any fees related to the rental agreement that are required by law shall be borne by the Client.

XII. Storage

1. Unless otherwise stipulated by the present GTC, the provisions of the Austrian Commercial Code on warehousing shall apply to the storage of objects owned by the Client as carried out by Bösendorfer.
2. The Client shall pay a fee to Bösendorfer for the storage. Payments shall be made monthly in advance according to the price list applicable at the given time.
3. Bösendorfer may decide at his own discretion to store the objects either in its own storage spaces or in external storage spaces.
4. Bösendorfer shall insure the stored objects to the usual extent against damage and theft.
5. Bösendorfer may terminate the storage agreement at any time with one month's notice by way of registered mail to the last address given by the Client.
6. To the value of its claims against the Client, Bösendorfer shall have a pledge and a right of retention with respect to the Client's goods in its possession.

XIII. Miscellaneous

1. Bösendorfer may send written notifications to the last address given by the Client.
2. The Client agrees to the computer-assisted processing of his data by Bösendorfer. Bösendorfer shall use such data only within the company and not pass them on to third parties.
3. The exclusive place of jurisdiction and place of performance shall be Vienna. The present GTC are governed by Austrian law.

I hereby confirm that I have read and understood the GTC
and agree with them:

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(Date and signature of the Contracting Partner)

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