Special terms and conditions of sale applicable to goods remarketed by MEDION AG

Unless agreed in writing to the contrary, goods remarketed by MEDION AG (hereinafter referred to as 'MEDION Remarketing') will be supplied to partners (hereinafter referred to as 'Partner' or 'Partners') solely on the special terms and conditions of sale specified below.

§1 Quality of products

- (1) The products offered by MEDION Remarketing are returned merchandise that is either checked ('A' and 'B' goods) or not checked ('C' goods) before being remarketed in compliance with defined restrictions.
- (2) 'A' goods have been checked for technical defects, reconditioned and repackaged and are visually in perfect condition.
- (3) 'B' goods have been checked for technical defects, reconditioned and repackaged but may show signs of use.
- (4) 'C' goods are unchecked returned merchandise that may contain various defects. The Partner accepts that MEDION Remarketing is unable to provide any information on the condition of 'C' goods before they are sold. The financial risk of buying such goods will be borne solely by the Partner.
- (5) The terms and conditions governing the sale of new goods (e.g. reserve spare-parts inventories to be liquidated) by MEDION Remarketing will be agreed separately on a case-by-case basis.

§2 Restrictions on selling and advertising

- (1) Any order has to be placed in written form and has to be confirmed by MEDION Remarketing accordingly. MEDION Remarketing has the right to reject the order after having already accepted it.
- (2) The Partner is not permitted to sell or reimport the following items either directly or via third parties within the European Union, Switzerland, the United States and Australia:
- 'C' goods
- Items reconditioned from 'C' goods
- 'A' and 'B' goods under any MEDION brand
- Any other products earmarked for export.
- (3) Owing to existing national and international trade restrictions, MEDION Remarketing will not establish trading relations with any persons or enterprises that are resident or domiciled in countries against which embargoes or partial embargoes have been imposed. In addition, no further financial resources, technical support or similar services will be made available to these persons and enterprises. Furthermore, MEDION Remarketing itself will not sell or transport any goods via third parties to these persons or enterprises, nor will it consent to any sale or transportation of such goods owing to external initiatives.

The partner must inform himself independently about existing trade restrictions and not enter trade relations with regard to MEDION products with companies which have their registered office in these countries. If the partner violates this requirement, he is responsible for all resulting violations.

- (4) The Partner undertakes to submit to MEDION Remarketing within 30 days a pertinent export certificate for the products purchased. If MEDION Remarketing becomes aware, that the products are being exported to an embargoed country within the meaning of § 2 (3) above, MEDION Remarketing reserves the right to report such export to the relevant competent authorities.
- (5) It is not permitted to sell any of MEDION Remarketing's products via the Internet.
- (6) Any product information, charts, diagrams or graphs supplied by MEDION Remarketing in digital and/or printed form may not be used either wholly or in parts for advertising purposes, reproduction, transmission and/or sale to third parties and are copyright-protected by MEDION Remarketing. Their sole purpose is to provide a better overview of the product. Furthermore, no MEDION Remarketing product titles or names or any references to MEDION Remarketing trading partners (e.g. for comparisons) must be used for advertising purposes.
- (7) The Partner is obliged to inform third parties, to which the goods are sold on, about the restrictions on selling and advertising.
- (8) The Partner must pay the amount of €50,000 to MEDION Remarketing each time it breaches the terms of § 2 (2), (3), (5) or (7) of this agreement. MEDION Remarketing reserves the right to claim compensation for any losses caused by such breaches.
- (9) MEDION Remarketing will provide written notification of any exceptions to this provision.

§ 3 Exclusivity

- (1) MEDION Remarketing does not generally grant any exclusivity rights in respect of products or regions.
- (2) As a general rule, all goods are offered to several of MEDION Remarketing's partners. Consequently, MEDION Remarketing cannot guarantee that products will actually be available when it receives requests for such goods. It is therefore essential that prospective customers contact MEDION Remarketing at the earliest opportunity to place an order.

§4 Liability and warranty

- (1) MEDION Remarketing will be liable for losses caused by the absence of qualities that it has warranted or by the breach of cardinal duties and for losses that it has caused as a result of wilful conduct or gross negligence. It will not be liable for losses caused by simple negligence.
- (2) MEDION Remarketing provides the minimum statutory warranty (in Germany) to Partners to which it sells 'A' and 'B' goods (24 months for 'A' goods and twelve months for 'B' goods).
- (3) The warranty period commences when the goods are delivered to the Partner of MEDION Remarketing.
- (4) MEDION Remarketing sells 'C' goods as seen and in the condition, they are at the time the order is placed, i.e. it does not provide the Partner with any warranty.

§5 Services

(1) The goods offered do not entitle the Partner to receive any services (on-site service, bring-in service, or hotline) from MEDION Remarketing. Services may be purchased for an appropriate fee in those countries where MEDION Remarketing is represented by branches.

§6 Returns Processing

- (1) The warranty entitlements specified in §4 only authorize the direct Partner of MEDION Remarketing to return defective goods.
- (2) MEDION Remarketing will only accept returns, credits and exchanges of 'A' and 'B' goods if they comply with its predefined RMA process.
- (3) The Partner of MEDION Remarketing will bear the cost of returning goods.

(4) In cases where claims are asserted under warranty entitlements that are not justified by the fact that the defects concerned are attributable to the 'B' classification of the goods, MEDION Remarketing reserves the right to repair, exchange or issue a credit for the goods returned. Signs of use etc. shown by 'B' goods specifically do not warrant the issuance of a credit. The calculation of credits is determined by when the goods are returned. The amount of credit issued is determined by the following parameters:

For goods returned 0-3 months after date of invoice: 100% refund (0% deduction)
For goods returned 3-6 months after date of invoice: 70% refund (30% deduction)
For goods returned 6-12 months after date of invoice: 60% refund (40% deduction)
For goods returned 12-24 months after date of invoice: 40% refund (60% deduction).
However, MEDION Remarketing and the Partner may agree other arrangements on a case-by-case basis depending on the product(s) concerned.

(5) In the case of 'C' goods the Partner is not entitled to return goods to MEDION Remarketing.

§7 Payment terms; delivery of goods

- (1) The prices offered are always quoted on a net basis, plus value added tax (VAT) at the statutory rate, if the goods are collected from the relevant warehouse (i.e. ex works). The relevant warehouse will be provided to the partner prior pick-up.
- (2) Invoices issued to enterprises that are domiciled outside the European Union (EU) are shown inclusive of German VAT at the statutory rate prevailing when the goods are purchased. The customer has the option of having this VAT reimbursed to its account by submitting the relevant export documents and the invoice that has been duly stamped by the competent customs authorities.
- (3) MEDION Remarketing emails its customers regular balance confirmation lists. If customers do not object to these balance confirmations within five working days, they are deemed to have been accepted and the relevant items are reconciled accordingly.
- (4) 'C' goods are initially offered in the form of pallet lists to ensure that they are sold as quickly as possible. Because these lists are not always reconciled in a timely fashion with MEDION Remarketing's materials handling system, the picking and packing of goods may give rise to discrepancies. All order-related documents are issued solely on the basis of the goods that are actually picked and packed. In particular, customs documents should never be prepared on the basis of the pallet lists of goods offered, but only based on the SAP shipment documents.
- (5) As soon as the partner has received 'A' or 'B' goods, it must check them to ensure that they are complete and consistent with the invoice. Unless written notification of a defect is submitted within six days, the goods delivered will be deemed to be complete and in good condition.

MEDION Remarketing will not accept reports of incorrect quantities for orders of 'C' goods.

- (6) The collection times arranged by MEDION Remarketing's back-office function must always be complied with. MEDION Remarketing reserves the right to charge the Partner for any costs incurred as a result of the late collection of goods (warehousing costs, other freight forwarders' downtimes).
- (7)The Partner is responsible for ensuring that the pallets are properly exchanged when the goods are collected. An amount of €15 will be charged for each pallet that is not exchanged.

§ 8 General

- (1) MEDION Remarketing accepts no responsibility for the subsequent use of the products sold. The Partner undertakes to obtain information on the legislation (import restrictions, trademark law, statutory levies etc.) in force in those countries to which it ships the goods and therefore accepts responsibility for the use of the goods.
- (2) In addition, the latest version of MEDION Remarketing's general terms and conditions apply. Where there are conflicting legal provisions, the provisions of these special terms and conditions of sale take precedence over the provisions of MEDION Remarketing's general terms and conditions. A copy of the general terms and conditions has been supplied or made permanently accessible to the Partner.
- (3) Our offers are subject to change without notice. They are also subject to changes, subsequent sale of the goods to other parties, errors and amendments to technical data.

§ 9 Concluding provisions

Name (stamp) signature

- (1) Amendments and additions to this agreement must be made in writing to be valid; this also applies to any abolition of this written form requirement.
- (2) If individual provisions of this agreement are or become invalid, this will not affect the validity of the agreement in other respects. The invalid provision will be replaced by one that accords most closely with the commercial purpose intended with the invalid provision. The same applies if this agreement contains an omission. Legal provisions will only subsequently apply.
- (3) This legal relationship and the individual agreements between the parties are governed exclusively by the laws of the Federal Republic of Germany.
- (4) If the party to this agreement is a businessman (Kaufmann) or, after the agreement has been signed, he relocates his place of abode or usual place of residence abroad or his place of abode or usual place of residence is not known at the time a lawsuit is filed, Essen has been agreed as the place of jurisdiction for disputes arising from this agreement.

Thereby decept Hilliam Remarketing 3 special terms and conditions of sale.
Company place, date

Thereby accept MEDION Remarketing's special terms and conditions of sale

LAST REVISED: September 2017