

**General Terms and Conditions**  
**GENEREX SYSTEMS Computer Vertriebsgesellschaft mbH**

**§ 1 Scope**

- (1) The following general terms and conditions of GENEREX SYSTEMS Computer Vertriebsgesellschaft mbH apply to all contracts concluded between GENEREX and its contractual partners (herewith 'customer') over delivery of goods and/or execution of services of any kind. The terms and conditions also apply to future business activities, even if not explicitly agreed.
- (2) Diverging conditions of the customer which GENEREX has not confirmed in writing, are not binding for GENEREX even if not explicitly contradicted by GENEREX.
- (3) The following conditions also apply if GENEREX accepts deliveries of customers without reservation and has knowledge of conditions of the customer diverging from the terms and conditions of GENEREX.
- (4) All agreements between GENEREX and its customers are stipulated in writing in the contracts concluded, the offers of GENEREX and these terms and conditions. Diverging agreements shall only be deemed accepted if confirmed in writing by GENEREX and shall be regarded as a supplement to the contracts, the offers and the terms and conditions.

**§ 2 Offer**

- (1) GENEREX shall be bound by its offers for two weeks after submission of the relevant offer regardless of the date of received by the customer. The offer shall be acceptable by the customer within the two-week time period in writing or via electronic mail only (addressed to GENEREX).
- (2) All documentation such as descriptions, calculations, drawings, plans etc., handed out to the customer remain property of GENEREX. The customer may not make these documentations accessible to third parties, without the prior consent of GENEREX. In case of non-acceptance of the offer made to the customer by GENEREX within the time period as described in section 1, the customer shall return all documentation to GENEREX, whereas the costs of returning such documentation are to be borne by the customer.

**§ 3 Payment**

- (1) Prices are charged by GENEREX according to the net pricelist valid on the day of the delivery / fulfilment of the contract plus VAT if not otherwise agreed between the parties.
- (2) Additional costs such as packaging shall be charged at cost in accordance with section 1 of this paragraph.
- (3) Unless otherwise agreed payment shall be effected within 10 days after receiving the invoice without any deductions. Cashless monetary transactions have to be effected within the aforesaid period of time to the GENEREX bank account.
- (4) If payment is not effected in good time, GENEREX shall have the right to charge interest at a rate of 8% above the respective base interest rate. For payment reminders, a flat fee of €10 is charged.

**§ 4 Delivery**

- (1) Delivery dates and periods, which can be agreed upon as binding or not binding shall be agreed between the parties in writing. If a binding delivery date has not been explicitly agreed upon, all delivery dates and periods shall be understood as not binding if in doubt. In case of amendments to the contract, all delivery dates and periods previously agreed upon become obsolete.
- (2) Partial deliveries by GENEREX are admissible if not otherwise agreed in writing.
- (3) If a not binding delivery date or delivery period is exceeded GENEREX is only in default, if the customer has set GENEREX an appropriate deadline – (not less than 2 weeks after receipt of the request) in writing for performance and GENEREX fails to keep to this deadline.
- (4) If delay occurs on account of circumstances for which GENEREX is responsible and the customer insists on delivery, the customer shall be entitled to demand additional damages for delay only in case of intent or negligence by GENEREX.
- (5) GENEREX is not liable in case of "force majeure" such as but not limited to natural disaster, war, flood, strikes or similar. If GENEREX is prevented from performing its obligations due to such occurrence then the delivery date or period shall be deemed extended accordingly. In addition, GENEREX may, at its sole discretion, cancel the contract without any liability.
- (6) The packaging shall be done according to customary packing standards. If no support or maintenance agreement has been concluded between the parties, replacement packaging and special packaging shall be charged at cost. The customer may request additional packaging requirements, which have to be submitted in writing. Additional packaging cost are to be borne by the customer.
- (7) The goods are delivered free to the customer's destination. GENEREX is entitled to charge a flat fee for the transportation. The risk of accidental loss or damage or deterioration of the ordered goods shall pass to the customer no later than upon the time of the handover of the goods to the assigned freight forwarder. If not otherwise agreed in writing, the goods shall be forwarded by the Deutsche Post, United Parcel Service (UPS) or Deutsche Paketdienst (DPD).

**§ 5 Warranty**

- (1) GENEREX provides a warranty of six months from the passing of risk.
- (2) The customer shall examine the goods delivered immediately. In case any defects are established, GENEREX must be notified thereof in writing immediately, no later than upon 5 days after delivery. No warranty is given if GENEREX is notified of damage, errors or defects after that period, save for defects that could not be detected during a duly examination by the customer.
- (3) The warranty shall be cancelled with respect to the consequences of inappropriate, improper and/or unprofessional use, if the goods have not been operated and maintained in conformity with the instructions of the manuals or in case of other faulty or negligent handling by the customer or third parties. No warranty is given in case of manipulation, modifications or the substitution of materials carried out by the customer or a third party.
- (4) GENEREX shall have the right to choose whether to repair the defect or supply goods free of defects (supplemental performance). Further claims of the customer shall be excluded. If the supplemental performance should fail within an adequate period of time – no less than 4 weeks considering that GENEREX may have to send the goods to its corresponding manufacturer, the customer shall have the right to reduce the sale price to a corresponding level or withdraw from the contract.
- (5) If the goods are not solely products or developments of GENEREX, GENEREX is entitled in addition to the options in section 4 to assign warranty claims of the corresponding manufacturer to the customer.
- (6) The customer shall not be entitled to claim for damages due to non-performance of the contract, breach of a contractual duty, malpractice, damages caused by a defect, tort or other causes in law except in case of intent or (gross) negligence by GENEREX.
- (7) The customer shall not have the right to assign any claims and/or any other rights to third parties.
- (8) In case goods are delivered by the customer for repair or substitution and no warranty is applicable or no defects have been found, GENEREX is entitled to charge the customer the research costs and the costs for possibly made repair works.
- (9) In case of an ex gratia credit by GENEREX, the validity is 6 month after the issuing date. A cash payment of such credit is excluded. If such an ex gratia credit is issued GENEREX shall have the right to reduce the nominal value of it by the amount of the handling costs.

**§ 6 Retention of Title**

- (1) GENEREX retains title and extended retention of title of the goods delivered pending performance of all of GENEREX claims against the customer on the basis of the contract. GENEREX undertakes to release, at the request of the customer the security to which it is entitled insofar as the value thereof exceeds the claim to be secured by more than 20%.
- (2) If the customer is not in default of payment it shall have the right to resell the goods and/or process the goods through the normal course of business. The customer now already assigns to GENEREX all claims against third parties arising there from. GENEREX accepts the assignment. The customer is revocable authorised to collect the claims existing against third parties. It shall be entitled to request the re-assignment insofar as the value thereof exceeds the claim to be secured by more than 20%.
- (3) In case of section 2 of this paragraph, the customer shall provide access to GENEREX to the locations of where the goods are stored which were sold under the retention of title provision. A written inventory list of the goods shall be provided to GENEREX upon request.
- (4) If the goods delivered are connected with other goods not belonging to GENEREX, GENEREX acquires joint ownership in the new property in the same proportion as the relationship between the value of the goods delivered and the other product not belonging to GENEREX. The handover is substituted by the storage of the goods that are connected with other goods by the customer free of charge for GENEREX. Section 2 of this paragraph applies if these goods are resold, whereas the session only applies up to the amount, which has been invoiced to the customer for the delivery beforehand.
- (5) The customer has to inform the supplier in writing immediately of any attachment or other intervention by third parties in order to enable GENEREX to file legal action (in accordance with section 771 of the German Code of Civil procedure). The costs of legal action and damage resulting from the breach of these contractual duties are to be born by the customer.
- (6) If the behaviour of the customer is in breach of contract in particular in case of delayed payment, GENEREX shall be entitled to request the repossession of goods which it has sold under the retention of title provision, without having to set a specific deadline for the handover. The cost of shipment are to be borne by the customer. GENEREX reserves the right to sell or exploit the returned goods otherwise. The profit of the exploitation shall be taken into account with the outstanding amounts payable by the customer, whereas the customer is charged for the reasonable handling costs arising from exploitation of the goods.

**§ 7 Resale and Labelling of Goods**

- (1) The customer shall have the right – subject to the provision according to §6 – to resale and process the goods delivered by GENEREX.
- (2) The customer has no right to reprint and copy software products and manuals. This applies to demonstration/trial products correspondingly.
- (3) A manipulation of goods, such as the removing the brand name, trademark, serial- and device numbers, special tags and labels is prohibited. This does not apply for OEM versions of GENEREX products, as far as the customer respects the copyright laws and the branding of the products or accessories by GENEREX.

**§ 8 Place of Jurisdiction**

- (1) Place of jurisdiction and venue is Hamburg provided the customer is also merchant. Place for performance of payment and delivery is at the registered office of GENEREX.
- (2) The relationship between the contractual partners shall be governed by the laws of the Federal Republic of Germany. The provisions of the Hague Convention on the international sale of goods are excluded.

**§ 9 Final Provisions**

- (1) The customers accepts the general terms and conditions in this document.
- (2) Should any of the provisions of these terms and conditions be or become invalid or unenforceable, this shall not affect the validity or enforceability of all other provisions or contractual agreements.