



Terms and Conditions of Yamaha Music Europe GmbH 01.07.2014

§ 1

Validity of the General Conditions of Sale (AGB); exclusion of other conditions

- (1) These Terms and Conditions (T&C) apply to all our business relationships with our customers. However, they will only apply if the customer is an entrepreneur within the meaning of § 14 of the civil code, a legal person under public law or a public special fund.
- (2) Our Terms and Conditions apply exclusively, even if, in the knowledge of the Terms and Conditions of the customer, without reservation we accept orders, provide services or directly or indirectly refer to letters, etc., which include the Terms and Conditions of the customer or third parties. Contrary, divergent or supplementary Terms and Conditions of the customer will not be accepted unless agree to their validity in writing.
- (3) Our Terms and Conditions also apply, without the requirement of our further reference to them, in their current version for all future supplies, services or offers to the same customer. We will inform the client immediately of any changes to our T&C. We reserve the right, within a period of 30 days, to change or replace our T&C by written notice.

§ 2

Conclusion and content of the contract; written form; reservation of rights

- (1) Our offers are not-binding and without obligation unless they are explicitly marked as binding or contain specific terms of acceptance.
- (2) The customer must adequately demonstrate to us that he has sufficient creditworthiness. He undertakes to disclose to us and our credit insurance the necessary information about his finances on demand.
- (3) The order by the customer will be deemed a legally binding offer on the conclusion of a contract. Unless specified otherwise, we can accept it within 10 working days (Monday to Friday) from arrival.
- (4) Our acceptance is made by written declaration (e.g. by our order confirmation or our indication of readiness for dispatch/collection) or by the dispatch of the goods. Legally relevant statements and announcements given to us by the customer after the conclusion of the contract (e.g. setting deadlines, reminders, complaints) must be in written form.
- (5) We reserve the right for the sale of the goods elsewhere in the time between our offer and the arrival of the acceptance of the customer.
- (6) Individual - including any oral - contractual agreements have priority over these T&C. A written contract or our written confirmation is determinative for the demonstration of the content.

§ 3

Terms of delivery; acceptance delay, cooperation acts etc.; acceptance

- (1) The place of performance agreed between the customer and us (place of performance) is Rellingen. Between the customer and ourselves it also agreed that the contract involves mail order purchases within the meaning of § 447 of the civil code. We are obliged to send the goods at the customer's request to its registered office. With the delivery of the product to the person specified for performance of the dispatch, the risk of accidental loss and accidental deterioration passes to the customer. We will bear the cost of transportation and provide transport insurance. However, this has no effect on the place of performance or delivery.
- (2) Standard transport packaging is in principle included in the purchase price of the relevant goods. If any special needs of the customer require other, non-standard packaging of the goods, the cost of this will be borne by the customer.
- (3) Goods are insured by us at our expense against damage in transit. The price of insurance is included in the purchase price for the goods. In the event of damage, the customer is obliged to provide us with all necessary documents and all other assistance to pursue the claims against the insurer.

- (4) If the customer is in delay with acceptance or fails to perform a required cooperative action or if our service is delayed for other reasons attributable to the customer, we are entitled to invoice for compensation for the resulting damage including our additional expenses (e.g. particular storage costs).

§ 4, Terms of payment, withholding of the goods; exclusion of setoff and retention; inadequate payment capacity of the customer

- (1) Our invoices are payable - unless otherwise agreed - within 30 days after delivery and receipt of the invoice without any deductions and in Euro (EUR). For payment within 14 days of delivery and receipt of invoice we grant a discount of 1% if we have no further payment claims against the customer which are due at the time of payment. The benchmark is the day of receipt of payment.
- (2) At the end of each payment period under paragraph (1) the customer will automatically, in particular without warning, be in default. The purchase price is payable during the delay at the applicable statutory default interest rate. We reserve the right to assert further delay damages. For commercial entities our claim to commercial maturity interest (§ 353 of the commercial code) is not affected.
- (3) The customer is only entitled to offset and retain if his counterclaim is undisputed, ready for decision or legally binding.
- (4) We are entitled to refuse our outstanding services under a contractual relationship if, after the conclusion of the contract, it is evident that our claim to payment from the respective contract is at risk due to the lack of payment capacity (§ 321 para. 1 of the civil code) of the customer. Our right to refuse service does not apply if the payment is made or a guarantee is provided for it. We have the right to set the customer a reasonable period within which to pay for our service in instalments or provide security for payment. After this deadline has expired without result, we can withdraw from the contract. The statutory provisions on the dispensability of setting a deadline remain unaffected. For contracts for the manufacture of non-standard items (custom made), we can declare the withdrawal immediately.
- (5) If the customer is late with a payment obligation, then, subject to the conditions of the above para (5), we are entitled not only to withdraw from the relevant contract itself, but also from further contracts concluded by us with the customer and not yet performed by both sides.

§ 5

Delivery dates, any extension; reservations for force majeure, etc.; partial services

- (1) The delivery times/dates for goods and services (delivery times) offered by us are always only approximate, unless a fixed delivery time is expressly approved or agreed.
- (2) If we have reason to expect that a delivery date cannot be met, we will notify the customer immediately and inform him of the new estimated delivery date.
- (3) We are not liable for the impossibility or delay of our services if such circumstances are due to force majeure or other events, unforeseeable at the time the contract is concluded, that we are not responsible (eg operational disruptions of all kinds, fire, natural disasters, weather, floods, war, rebellion, terrorism, transport delays, strikes, legal lockouts, shortage of labour, energy or raw materials, delays in obtaining any necessary regulatory approvals, government/sovereign measures).

Such an event could also take the form of absent, wrong or untimely delivery by our suppliers if we are not responsible for them and at the time of conclusion of the contract with the customer had concluded a congruent agreement with the respective suppliers; this still applies if we conclude the congruent transaction immediately after the transaction with the customer.

On such events, the delivery deadline will be extended automatically by the duration of the event plus a reasonable run up time.

- (4) Delivery dates are automatically extended to a reasonable extent if the customer fails to meet its contractual obligations or duties.
- (5) We are entitled to partial services if (a) a partial service is usable for the customer as part of the contractual purpose of use, (b) the provision of the remaining services is ensured and (c) the customer incurs no significant expenses from the partial performance.
- (6) Our statutory rights, in particular concerning the possible exclusion of our liability (e.g. due to impossibility or unreasonableness of performance and/or subsequent performance) and for delay in acceptance or performance of the customer remain unaffected.
- (7) If we are late with a delivery or service or if it is impossible for us, for whatever reason,, our potential liability for damages is limited under § 9 of these T&C.

§ 6

Retention of title

- (1) The retention of title agreed here serves to secure all of our currently existing and future claims against the customer for the goods and services supplied to him by us, including relevant balance claims from current accounts (secured claims). The goods supplied by us to the customer remain our property until full payment of all claims. These goods and the items which in accordance with the following provisions take their place are also covered by the retention of title and are hereinafter referred to as "reserved goods". If the customer is seeking the shipment of the goods to a location outside Germany, he is required to immediately meet any local statutory requirements for the development and maintenance of our retention of title at his own expense and to inform us immediately after formation of the above purpose.
- (2) The customer will store the reserved goods for us without charge. He must treat them carefully and insure them adequately and for the new value at his expense against fire, water and theft. If maintenance, repair or inspection work is required (this, however, does not include any (re) performance activities to be provided by us), the customer must have them performed at his own expense.
- (3) The customer is not entitled to pledge the reserved goods or to assign them as collateral. In the event of seizure of reserved goods by third parties or of other access by third parties to them, the customer must clearly indicate our ownership and notify us immediately in writing so that we can assert our ownership rights. If the third party is unable to reimburse the judicial or extra-judicial costs incurred by us in this context, the customer is liable to us for them.
- (4) The customer is obliged to give us on notice in standard business hours access to his business and warehouses in order for us to determine the condition of the goods.
- (5) The customer is entitled to use the reserved goods on the occurrence of the enforcement event (paragraph (9)) in the ordinary course of business or to process/convert them, combine them, mix them and/or sell them.
- (6) If the goods are processed by the customer or transformed (§ 950 of the civil code), it is agreed that this processing is always done for us as manufacturers in our name and on our behalf, and we immediately acquire or - if the processing or transformation is performed of materials from several owners, or if the value of the newly created item is higher than the value of the goods - the co-ownership (fractional ownership) of the newly created object in the proportion of the value of the goods (gross invoice value) to the value of this newly created item. In the event that for any reason no such ownership or co-ownership should be acquired by us, the customer hereby assigns to us his future ownership or (in the above ratio) co-ownership of the newly created item as security; we hereby accept this assignment.

If the reserved goods are combined with other goods which do not belong to us within the meaning of § 947 of the civil code or mixed or combined within the meaning of § 948 of the civil code, we will acquire co-ownership of the newly created object in the proportion of the value of the goods (gross invoice value) to the value of the other combined, mixed or blended goods at the time of combination or mixing; if the reserved good is regarded as the main item we acquire sole ownership (§ 947 para. 2 of the civil code). If one of the other goods is regarded as the main item, the customer will hereby assign to us, if the main item belongs to him, in the above proportional ratio joint ownership of the uniform item. We hereby accept this assignment.

Our sole ownership or co-ownership of an item resulting in accordance with the above provisions must be preserved for us free of charge by the customer.

- (7) The fee claims of the customer against his customers from the resale of the goods as well as those claims of the customer regarding the goods arising from any other legal grounds against his customers or third parties (in particular claims in tort and insurance claims), including all claims of the goods proportionately co-owned on the balance of the current account, the customer hereby assigns to us as security. We hereby accept these assignments.
- (8) We hereby irrevocably authorise the customer to collect the assigned claims in his own name for us. Our right to collect such claims ourselves is not affected. However, we will not collect them ourselves and not revoke this authorisation if the customer properly fulfil his obligations to us (in particular is not in default of payment), unless a request to open insolvency proceedings is lodged against the assets of the customer and as long as there is no absence of performance (§ 321 para. 1 sentence 1 of the civil code) by the customer. If either of the above cases occurs, we may require the customer to inform us of the assigned claims and the respective debtors, notify the respective debtors of the assignment and handover to us all documents and all information we need to assert the claims.

Paragraph (3) will apply mutatis mutandis to the assigned claims.

- (9) If the customer so requires, we undertake to release the reserved goods and the items and demands that replace them to the extent that their estimated value exceeds the amount of the secured claims by more than 50%. The selection of the released items is up to us.
- (10) If due to breach of contract by the customer - primarily because of a delay in payment - we are entitled to withdraw from the contract in accordance with the legal provisions (disposal case), we are entitled to demand the reserved goods back from the client. At the

latest our return demand will also constitute our declaration of withdrawal. The transport costs for the return will be met by the customer. Any pledge of the reserved goods by us will also constitute a declaration of withdrawal.

§ 7

Warranty against defects

- (1) The rights of the clients for physical and legal defects are governed by the statutory provisions unless in these GCI something different or additional is determined. This is in any event without prejudice to the special statutory provisions for final delivery of the goods to a consumer (supplier recourse pursuant to §§ 478, 479 of the civil code).
- (2) We give no warranty for defects in any agreed delivery of used products.
- (3) Unless expressly agreed otherwise, our products and services must comply exclusively with the statutory requirements applicable in Germany.
- (4) Unless acceptance has been expressly agreed, the customer must after delivery examine the delivered goods immediately himself or through a third party designated by him and report any defects immediately. For this purpose, §§ 377, 381 of the commercial code and the provisions in this paragraph will be applicable. The immediacy of the defect notice presupposes that it is sent within not more than seven working days after delivery or - if there is a defect that could not be detected during the investigation (§ 377 para 2 and 3 of the commercial code.) - within no more than three (3) business days after discovery of the defect.

If the customer fails to perform the proper investigation and/or complaint, our warranty and other liability for the affected deficiency is excluded.

- (5) The measures necessary for the purpose of testing and subsequent performance, particularly transport, travel, labour and material costs, will be covered by us when there is in fact a defect. The remedy does not include the conversion of defective goods or reinstalling the non-defective item if we were not originally contracted for installation. However, if a defect request of the customer is found to be unjustified, we can demand compensation from him for expenses arising therefrom.
- (6) If the delivered goods are defective, we are entitled and obliged, within a reasonable time, at our discretion, either to proceed to the subsequent performance in the form of removal of the defect (improvement) or to make the delivery of a defect-free item (replacement). In case of replacement, the customer must return the item to be replaced under the statutory provisions.
- (7) We are entitled to make the remedy owed by us subject to the condition that the customer pays the due purchase price or, where appropriate, the current due instalment, but the customer is entitled to retain an appropriate part of the payment due in relation to the defect.
- (8) If the remedy is impossible or unsuccessful or a reasonable deadline set for remedial performance by the customer has expired without effect or by law is not necessary, the customer may at his option withdraw from the contract or reduce the purchase price. In the case of a minor defect, however, there is no right of withdrawal.
- (9) In the case of defects in third-party products delivered by us (including components), which we cannot resolve for licensing or factual reasons, we will, at our choice, assert our warranty claims against the third party for the account of the customer or assign them to him. Warranty claims against us for such defects (under other conditions and in accordance with these T&C) will only arise if the legal enforcement of the above claims against the third party was unsuccessful (eg due to insolvency) or hopeless or (for example, due to time constraints) is otherwise unreasonable for the customer. During the period of our claims against the third party, the statute of limitations applicable to the warranty claims of the customer is suspended against us.
- (10) Any claims for damages will be made only in accordance with § 9 of these T&C.

§ 8

Guarantee of rights of third parties

- (1) We guarantee according to this § 8 to ensure that the goods are free of industrial property rights or copyrights of third parties in the countries of the European Union and other countries in which we manufacture or have manufactured the products. Each party will notify the other immediately in writing if any claims are asserted against it for infringement of such rights.
- (2) Claims for infringement of intellectual property rights or copyrights of third parties are excluded if the infringement is based on instructions of the customer, an unauthorised change or non-conforming use of the goods by the customer.
- (3) In the event that the goods infringe any third-party industrial property rights or copyright, we will change or replace at our discretion and at our expense goods with goods that infringe no third party rights but continue to perform the contractual functions or procure the right of use for the customer under a license agreement. If we do not succeed within a reasonable time, the customer is entitled to withdraw from the contract or reduce the purchase price appropriately.

- (4) In the case of violations by products delivered by us from other manufacturers or suppliers, we will, at our choice, assert our warranty claims against the manufacturers and suppliers for the client's account or assign them to the customer; § 7 (9) will apply accordingly.
- (5) Any claims for damages will be asserted only in accordance with § 9 of these T&C.

§ 9

Liability for damages etc.

- (1) Our liability for damages - for whatever legal reason, particularly for compensation instead of or in addition to performance, for fault in contract negotiations, impossibility, defectiveness, tort or for any other direct or indirect damages - is excluded unless one of the following cases applies:
 - a) we have fraudulently concealed a defect;
 - b) we have given a guarantee for the quality of the goods or excepted a quality risk;
 - c) there is a claim resulting from injury to life, body or health, based on an intentional or negligent breach of duty by us or by our legal representatives or agents;
 - d) there is a claim based on an intentional or grossly negligent breach of duty by us or one of our legal representatives or agents;
 - e) there is claim from negligent breach of contract, which is not already covered under lit. a) to lit. d) or item f). Material contractual obligations are those obligations whose fulfilment enables the proper performance of the contract and on which the customer is entitled to and does rely. In this case, our liability will be limited to the amount of the typical, foreseeable contractual damages; or
 - f) we are subject to a mandatory statutory liability, in particular liability under the Product Liability Act.
- (2) To the extent that our liability is excluded or limited under the above provisions, this also applies to the personal liability of our organs, legal representatives, officers, employees and agents.
- (3) For a breach of obligation by us, which is not a defect of the goods, the customer may cancel or terminate the contract if we are responsible for the breach of an obligation; in all other respects the statutory regulations apply. A free right of termination of of the customer, in particular in accordance with §§ 651, 649 civil code, is excluded.

§ 10

Limitation

The limitation period for - also non-contractual - claims for material defects and defects, notwithstanding § 438 Paragraph 1 No. 3 civil code, is 24 months from delivery; however, this does not apply in the cases referred to in § 9 (1) lit. a to e, f this T&C. They are governed instead by the relevant statutory limitation period in each case.

§ 11

Special right with cancellation of payments etc.

We have a special right to cancel the contract in the following cases: (a) the customer stops payments to its creditors; (b) he requests the opening of insolvency proceedings against his assets; (c) such an application is made permissible by us or another creditor; (d) it is - even merely on a provisional basis - instigated; or (e) the application is rejected for lack of estate.

§ 12

Obligation in the event of government or private actions

If, regulatory measures in connection with our products take place at or against the customer (e.g. instruction of a withdrawal or a recall or other measures of market surveillance) or the customer is envisaging such measures of his own, he must inform us immediately in writing.

§ 13

Place of Performance

The place of performance for all services is Rellingen.

§ 14

Choice of law and legal venue

- (1) The business relationship between us and the customer will be governed exclusively by the laws of the Federal Republic Germany. The UN Sales Convention (CISG) will not apply.
- (2) If the customer is a commercial entity, a legal entity under public law or a public sector fund or has no general legal venue in the Federal Republic of Germany, the exclusive - and international - legal venue for all disputes arising from the business relationship between us and the customer is Hamburg. Mandatory statutory provisions regarding exclusive legal venue remain unaffected.

§ 15 Covering clause

If any provisions of these T&C should be totally or partially void or invalid, such invalidity will not affect the validity of the remaining provisions. If provisions have not become part of the contract or are ineffective, the contents of the contract will be governed primarily by the statutory provisions (§ 306 para. 2 of the civil code). Only incidentally and as long as no supplementary contract interpretation is a matter of priority or possible, the parties will agree on a valid provision instead of the void or invalid provision which comes as close as possible to their economic intention.

Customer no.:

Place: Date:

Stamp/signature: