

## Conditions of Sale for the Online Portal (online shop and online only auctions)

### § 1 GENERAL

1. These Conditions of Sale apply to the use of the Internet portal operated by KARL & FABER Kunstauktionen GmbH, Amiraplatz 3, 80333 Munich (hereinafter referred to as KARL & FABER) or the internet portal operated by a service provider commissioned by KARL & FABER (hereinafter referred to as the Online Portal), as well as the contracts concluded via this Online Portal.
2. The Internet portal is operated by KARL & FABER or by a service provider commissioned by KARL & FABER and can be accessed at karlunfaber.de.
3. KARL & FABER operates an online shop on this Online Portal. In this online shop, KARL & FABER offers works of art for sale as a commission agent in its own name for the account of the unnamed sellers; works of art owned by KARL & FABER (own goods) are specially marked with \*\*\*. These so-called online only auctions are pure sales and do not constitute public auctions pursuant to § 312 g (2) No. 10 of the German Civil Code (BGB), nor classical auctions pursuant to § 34 b of the German Industrial Code (Gewerbeordnung), § 156 BGB. For these classical auctions, which are traditionally also carried out by KARL & FABER, other/our own auction conditions shall apply.

### § 2 CUSTOMER ACCOUNT

1. The customer requires an account at Invaluable or Lot-tissimo and shall hold auctions via the corresponding online platform, regardless of whether it has a customer account at KARL & FABER. Access to the Online Shop and participation in the online only auctions requires the registration of a customer account. When entering the personal data required for registration, the customer is responsible for the complete and truthful provision of this information. The transmission of the entered data takes place by clicking the "Register" button. The registration and activation of the customer account will be confirmed to you by email.
2. There is no legal claim to the activation of a customer account; KARL & FABER is free to accept or reject an activation.
3. Each customer may maintain only one customer account at a time.
4. The customer can delete his customer account at any time.
5. Access to the customer account is granted by entering a user name and the personal password chosen by the customer. This access data is confidential; the customer may not make the access data accessible to unauthorised third parties. Should the customer have the suspicion or indication that an unauthorised third party might have gained knowledge of the current access data, the customer must immediately inform KARL & FABER of this in writing.

### § 3 CONCLUSION OF CONTRACT

1. The presentation of a work of art on the Online Portal does not constitute a binding offer to conclude a sales contract.
2. KARL & FABER sets a starting price for each work of art presented in an online only auction as well as a deadline within which purchase offers for this work of art can be submitted (hereinafter referred to as the Offer Period).
3. The submission of a purchase offer by the customer takes place by transmitting a purchase price offer via the corresponding function on the Online Portal. A submitted purchase offer is binding for the customer.
4. A purchase offer made by the customer will be confirmed immediately by email. Such an email does not constitute a binding acceptance of the offer.
5. After expiry of the Offer Period or in the event of premature termination of this period by KARL & FABER, KARL & FABER shall accept the purchase offer of the customer from whom the highest purchase price offer was received within the Offer Period. This results in a purchase agreement being created between the highest bidder and KARL & FABER for the work of art in question; the other purchase offers of other customers for this object shall expire.

### § 4 FEATURES: MAXIMUM PRICE AND FIXED PRICE

1. Within the scope of the online only auction, the customer can immediately state the purchase price he is prepared to pay for the respective work of art (hereinafter referred to as the Maximum Price) when submitting a purchase price offer. If two customers specify an identical Maximum Price, only the ear-

lier quotation shall be considered; the customer who submitted the later quotation will be informed of this by email.

2. The Maximum Price is not displayed to other customers; only the current highest bid is always visible.
3. As long as the customer's Maximum Price is higher than the current highest bid of other customers for the respective work of art, the customer's purchase price offer shall be increased automatically as far as it is necessary for the customer to remain the highest bidder with the Maximum Price bid when submitting further purchase price bids. The automatic increase of the purchase price offer shall take place in the bidding steps specified in the bidding table and shall amount to a maximum of 10 % of the last purchase price offer per bidding step.
4. KARL & FABER can offer presented artworks for immediate purchase at a fixed price. In this case, the customer can submit a purchase offer at this fixed price with the consequence that the acceptance of this offer by KARL & FABER already before the end of the Offer Period shall result in a purchase contract for the work of art. In this case, the Offer Period shall end prematurely.

### § 5 RIGHT OF CANCELLATION FOR CONSUMERS

1. If you are a consumer, you are entitled to a right of cancellation in accordance with the statutory provisions. A consumer is a natural person who submits the purchase offer for a purpose that cannot be attributed to either commercial or self-employed professional activity.
2. At the end of these Conditions of Sale, there is a link to the legal instructions on cancellation and to the cancellation form.
3. If you as a consumer make use of your right of cancellation, you shall bear the costs of the return.

### § 6 PRICES AND SHIPPING COSTS, DROIT DE SUITE, OBLIGATIONS OF THE BUYER TO COOPERATE IN ADHERENCE TO THE MONEY LAUNDERING REGULATIONS

1. All price quotations and purchase price offers within the scope of the online only auctions are to be understood as exclusive of any shipping costs incurred, as well as a surcharge and the statutory value added tax. The amount of the premium and the type of taxation are regulated in Number 3 below. In addition for works of art by living artists or artists who died no more than seventy years ago a fee of 1.5 % of the sum of the hammer price and the net premium, plus statutory turnover tax thereon, shall be charged to compensate for droit de suite pursuant to Copyright Act § 26.
2. The estimated shipping costs are listed in the Online Portal under prices.
3. When purchasing within the framework of an online only auction, the buyer must pay a premium in addition to the purchase price; the following differentiation is made:
  - a) For regularly-taxed works of art (marked with „R“), the buyer shall be charged per individual object a premium of: 25 % on a purchase price up to and including € 100,000, 23 % on a purchase price over € 100,000 up to and including € 500,000 for the amount in excess, 18 % on a purchase price over € 500,000 for the amount in excess. Statutory turnover tax at a rate (at present) of 19 % shall be added to the hammer price, the premium and any further costs which may be charged, and shall be separately shown on the invoice.
  - b) If differential tax is applied pursuant to § 25 a of the Value Added Tax Act (UStG), the premium payable is increased by (at present) 19 % value added tax, which is charged on the premium and on any further costs which may be charged and is not indicated separately. The applicable breakdown specified in 4 a) above shall then be 30 %, 25 % and 20 %. An "N" behind the catalogue number indicates that the work of art originates from a country outside of the EU. For such objects, the advanced import tax will be charged at a rate of 7 % of the hammer price in addition to the premium.
4. KARL & FABER has the right, in accordance with legal obligations, to ask the purchaser to present a valid identity card, passport, similar identity document and, if necessary, further information to establish the identity of the beneficial owner, to make copies of these for its records and to keep them for 30 years. Beneficial owners within the meaning of the German Anti-Money Laundering Act (AMLA) are natural persons under whose control or influence the company is. This includes, among others, all per-

sons who directly or indirectly hold more than 25 % of the capital or voting rights in a company or exercise control in a comparable manner. If the bidder is a so-called politically exposed person they must disclose this. Politically exposed persons within the meaning of the AMLA are persons who hold a high-ranking public office at international, European or national level or have held such office in the last 12 months, as well as their close relatives. The bidder undertakes to cooperate in the fulfillment of this legal obligation.

#### § 7 TERMS OF DELIVERY AND PAYMENT

1. The object of purchase shall only be delivered to the customer by KARL & FABER after receipt of the complete purchase price including shipping costs. The delivery period shall be five working days. The delivery period shall begin upon conclusion of the contract and the complete payment of the purchase price. Alternatively, the customer may collect the object of purchase from the business premises of KARL & FABER after full payment of the purchase price and prior agreement of a collection date. KARL & FABER may refuse a collection if it is to take place later than 14 days after receipt of full payment of the purchase price.
2. If the customer is a consumer, KARL & FABER shall bear the transport risk; if the customer is an entrepreneur or merchant, the customer shall bear the transport risk.
3. The purchase price and the shipping costs are to be paid within two weeks of receipt of the invoice by KARL & FABER at the latest.
4. The customer is not entitled to offset against purchase price claims of KARL & FABER or to assert rights of retention unless counterclaims of the customer have been legally established or are undisputed or concern notices of defects or counterclaims from the same purchase contract. If the customer is an entrepreneur or merchant, he waives his rights under § 273 and § 320 BGB.

#### § 8 RETENTION OF TITLE AND DEFAULT OF PAYMENT, RIGHT OF WITHDRAWAL IN THE EVENT OF SUSPECTED MONEY LAUNDERING

1. The ownership to the object of purchase shall only pass on to the buyer after the complete payment of all amounts owed to KARL & FABER. In the event that the customer has already sold the object of purchase before he has fulfilled all claims against KARL & FABER, he hereby assigns to KARL & FABER all claims arising for the customer from the resale; the customer from the resale hereby accepts the assignment.
2. This retention of title pursuant to No. 1 shall also apply to merchants and legal entities for other claims of KARL & FABER arising from current business relationships, in particular the sale of other objects.
3. If the buyer is in default of payment, KARL & FABER may rescind the contract after having granted an additional grace period; if such right is exercised, then all the rights of the buyer in respect of the object of purchase shall expire and become void. In this case, KARL & FABER shall be entitled to claim damages in lieu of performance. If the item is sold again, the original defaulting buyer shall be liable for the resulting damage, in particular storage costs, loss, and loss of profit.
4. In the event of default of payment, the buyer shall owe default interest at the rate of 1 % per month, without prejudice to further claims for damages. The buyer shall have the right to prove a lower or no damage on the part of KARL & FABER.
5. If, within the framework of the usual checks, a suspicion of money laundering is found to exist on the part of the purchaser, KARL & FABER is entitled to withdraw from the contract. In this case, the buyer has no right to execute the purchase contract.

#### § 9 WARRANTY

1. All items offered for sale on the Online Platform are used; their condition depends on age and origin. Complaints about the state of preservation shall only be mentioned in the descriptions of KARL & FABER if, in the opinion of KARL & FABER, they significantly impair the overall visual impression of the object. The absence of information on the state of preservation thus has no explanatory effect and in particular does not constitute a guarantee or quality agreement in the sense of purchasing law; the same applies to oral or written statements.
2. The contractually agreed quality of the works of art refers only to statements on their authorship. KARL & FABER does not assume a special warranty, from which rights beyond this (§ 443 and § 477 BGB) result. Further characteristics other than the authorship of the offered works of art are not contractually agreed even if the object is exhibited for advertising reasons; this shall only not apply if KARL & FABER expressly assumes a guarantee for a certain characteristic or quality in writing.
3. The assertion of warranty rights against KARL & FABER shall become time-barred one year after delivery of the object of purchase.
4. If the buyer proves within one year after delivery of the object of purchase that information about the authorship is incorrect and did not match the accepted opinion of the experts on the day of the conclusion of the purchase contract, KARL & FABER undertakes to assert its rights against the consignor – if necessary also in court. In the event of successful recourse against the consignor, KARL & FABER shall reimburse the purchaser for what has actually

been obtained by the customer up to a maximum of the total purchase price, if no third party claims exist for the work of art and the work of art is returned to KARL & FABER undamaged.

5. Claims for damages against KARL & FABER due to legal and material defects as well as claims for reimbursement of expenses, loss of profit, indirect damages and expert costs shall be excluded unless they are based on intentional or grossly negligent actions of KARL & FABER (including its vicarious agents), which are caused by a violation of cardinal contractual obligations or damages due to injury to life, body or health. This limitation of liability shall apply to the same extent in favour of the bodies and legal representatives as well as the employees and other vicarious agents of KARL & FABER.

#### § 10 ACCESSIBILITY OF THE ONLINE PORTAL

1. KARL & FABER shall not be liable for the uninterrupted and fault-free accessibility and usability of the Online Platform insofar as KARL & FABER is not responsible for this. This applies in particular to damages and disadvantages arising from the fact that the buyer was unable to submit his purchase price bids or was late in submitting them due to such a fault, or that these bids were not received or were received late.
2. If no purchase price offers can be submitted at times due to a fault, KARL & FABER may extend the Offer Period by the duration of the fault.

#### § 11 EXPORT

Any customs duties and charges or other costs incurred in connection with the export and import of the object of purchase shall be borne by the purchaser. It is the obligation of the buyer to inform himself about import and export restrictions.

#### § 12 FINAL PROVISIONS

1. German law shall apply exclusively. The place of performance and jurisdiction is, as far as legally permissible, Munich.
2. If one or several provisions of these Conditions of Sale should be or become invalid, then the validity of the remaining other provisions shall not be affected thereof. In this case, the contracting parties undertake to replace the invalid provision with a valid provision that comes as close as possible to the meaning and purpose of the invalid provision.
3. These Conditions of Sale shall govern all relations between the buyer and KARL & FABER. General terms and conditions of the buyer shall not apply. No verbal ancillary agreements have been concluded. Amendments to these Conditions of Sale are to be made in writing; this shall also apply for the relinquishment and waiver of this writing requirement.

Link to the instructions on cancellation and the cancellation form:  
[https://www.karlundfaber.de/\\_media/2021/03/karlundfaber\\_widerrufsrecht.pdf](https://www.karlundfaber.de/_media/2021/03/karlundfaber_widerrufsrecht.pdf)

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